



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: September 10, 2018
To: Employee Trust Funds Board
From: Bonnie Cyganek, Director
 Bureau of Budget, Contract Administration & Procurement
Subject: Procurement of CEM Services

ETF requests the Employee Trust Funds Board (Board) delegate its authority to the ETF Secretary to procure Cost Effective Measurement, Inc., (CEM) pension administration benchmarking services.

Background

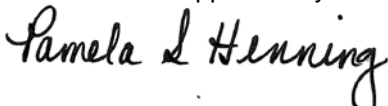
The statutory powers and duties of the Board include hiring actuarial consultants and other experts as required for the operation and control of benefit programs and overall administration and oversight of the public trust fund. Chapter 40 of the Wisconsin Statutes further allows the Board to delegate the procurement or acquisition of any such services to the ETF Secretary as deemed necessary or desirable.

CEM Benchmarking

ETF has procured annual services from CEM Benchmarking, Inc. for pension administration services since 2007. The service provides valuable insights into the Wisconsin Retirement System (WRS) administration cost and service levels. The WRS is compared to a customized pension peer group as well as the CEM client universe each year and over time. The service includes a detailed annual report, access to pension best practice research, an annual global pension conference and an online peer network forum. The cost of the service for 2018 is \$45,000 and the contract to procure future services is ending with the final survey for 2018.

In addition to the value the benchmarking information provides to the Board, staff believes these services provide significant internal value for ongoing analysis of operational costs and service value for members. Staff recommends the Board delegate authority for continued procurement of these services to the ETF Secretary.

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

Reviewed and approved by Pamela Henning, Assistant Deputy Secretary

 Electronically Signed 9/11/18

Board	Mtg Date	Item #
ETF	9.20.18	4B