



State of Wisconsin  
 Department of Employee Trust Funds  
 4822 Madison Yards Way  
 Madison, WI 53705-9100

P. O. Box 7931  
 Madison, WI 53707-7931

## Contract by Authorized Board

### Commodity or Service:

Consulting Actuary for Wisconsin  
 Retirement System and Related Programs

### Contract No.:

ETD0011 – Amendment #8 dated January 14, 2020

**Authorized Board:** Employee Trust Funds Board

**Contract Period:** January 1, 2020 through December 31, 2020

1. This Contract Amendment #8 is entered into by the State of Wisconsin Department of Employee Trust Funds (ETF), hereinafter referred to as the "Department," on behalf of the State of Wisconsin Employee Trust Funds Board, hereinafter referred to as the "Board," and Gabriel, Roeder, Smith & Company (GRS), hereinafter referred to as the "Contractor," whose address and principal officer appear on page 3 below. The Department is the sole point of contact for this Contract.
2. Whereby the Department agrees to direct the purchase and the Contractor agrees to supply the Contract requirements cited herein in accordance with the State of Wisconsin standard terms and conditions and in accordance with the Contractor's proposal date February 17, 2014 hereby made a part of this contract by reference.
3. In connection with the performance of work under this Contract, the Contractor agrees not to discriminate against any employees or applicants for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s.51.01(5), Wis. Stats., sexual orientation as defined in s.111.32(13m), Wis. Stats., or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor further agrees to take affirmative action to ensure equal employment opportunities. The Contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause.
4. Contracts estimated to be over fifty thousand dollars (\$50,000) require the submission of a written affirmative action plan. Contractors with an annual work force of less than fifty (50) employees are exempted from this requirement. Within fifteen (15) business days after the award of the Contract, the plan shall be submitted for approval to the Department. Technical assistance regarding this clause is provided by the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931, 608.266.2586, or via e-mail at [ETFSMBProcurement@etf.wi.gov](mailto:ETFSMBProcurement@etf.wi.gov).
5. This initial contract period is for fifteen (15) months. Each contract period annually will be for twelve (12) months and extend unless and until either party gives the other 180 days' notice of their intent to cancel the contract.
6. The Contract Amendment #1 is dated January 7, 2016 and the costs are not to exceed \$231,750.
7. The Contract Amendment #2 is dated February 23, 2017 and the costs are not to exceed \$236,176.
8. The Contract Amendment #2 dated February 23, 2017 is to also add GRS additional services requested by ETF for: 1). Initial reduced retirement study, delivered on March 22, 2016 for \$5,000 from February 12, 2016 email; 2). Supplemental valuation, report dated August 9, 2016 for \$10,000 from June 2, 2016 fee letter; 3). Investigation of Cost Method, report dated September 1, 2016 for \$6,000 from August 19, 2016 fee letter; and 4). Dividend Reserve supplemental valuation, dated November 9 and December 14, 2016 for \$15,000 from August 19, 2016 fee letter. The total cost for these services are not to exceed \$36,000 and are not included in Section 7 above costs.
9. The Contract Amendment #3 is dated May 19, 2017 to add the April 19, 2017 fee letter for the Contemplated Cost Method Change for the Wisconsin Retirement System and the costs are not to exceed \$5,000.
10. The Contract Amendment #4 is dated December 21, 2017 for the consulting actuary related services, with the costs not to exceed \$241,301.

11. The Contract Amendment #5 dated January 19, 2018 adds additional GRS services requested by ETF for GASB Statement No.68 Employer Cost-sharing Allocations as described in the attached Scope of Work for this Amendment #5. Costs for this work are not to exceed \$25,000 for 2018. For 2019 and subsequent years, the costs associated with this work are not to exceed \$15,000 per year.
12. The Contract Amendment #6 dated September 12, 2018 adds additional GRS services requested by the Department regarding the impacts of implementing rollovers from the Wisconsin Deferred Compensation program into the Wisconsin Retirement System (at separation from service or retirement), treated and annuitized as additional contributions, per statutory authority under Section 40.05 of the Wisconsin Statutes as described in the attached Scope of Work for this Amendment #6. Costs for this work are not to exceed \$10,000 payable upon satisfactory receipt of report by the Department.
13. The Contract Amendment #7 dated January 16, 2019 for the consulting actuary related retainer services, with the costs not to exceed \$246,561 for calendar year 2019.
14. This Contract Amendment #8 dated January 14, 2020 is for:
  - consulting actuary related retainer services described in RFP ETD0011 with costs not to exceed \$251,615 for calendar year 2020;
  - adds the scope of work described in the attached January 7, 2020 letter Re: Update/Review and Testing of OGS Software Program with costs not to exceed \$5,000; and
  - adds additional GRS services for the MagVal Plus software update for calendar year 2020 and subsequent years, with costs not exceed \$12,000 per year.
15. For purposes of administering this Contract, the order of precedence is:
  - A). The Contract with Gabriel, Roeder, Smith & Company (GRS);
  - B). This Contract Amendment #8 dated January 14, 2020;
  - C). The Contract Amendment #7 dated January 16, 2019;
  - D). The Contract Amendment #6 dated September 12, 2018
  - E). The Contract Amendment #5 dated January 19, 2018;
  - F). The Contract Amendment #4 dated December 21, 2017;
  - G). The Contract Amendment #3 dated May 19, 2017;
  - H). The Contract Amendment #2 dated February 23, 2017;
  - I). The Contract Amendment #1 dated January 7, 2016;
  - J). Questions from vendors and ETF Answers dated January 28, 2014;
  - K). The RFP dated January 6, 2014, and;
  - L). Contractor's proposal dated February 17, 2014.

**Contract Number & Service:** ETD0011-Amendment #8  
 Consulting Actuary for Wisconsin Retirement System and Related Programs

<b>State of Wisconsin</b>	
<b>Department of Employee Trust Funds</b>	
<b>Signature</b>	<small>DocuSigned by:</small> <i>Robert J. Conlin</i> <small>249598FF083F431...</small>
<b>Name/Title</b>	Robert J. Conlin Secretary Department of Employee Trust Funds
<b>Phone</b>	608.266.0301
<b>Date (MM/DD/CCYY)</b>	1/14/2020

<b>Contractor</b>	
<b>Legal Company Name</b>	Gabriel Roeder Smith & Company
<b>Trade Name</b>	
<b>Taxpayer Identification Number</b>	38-1691268
<b>Company Address (City, State, Zip)</b>	One Towne Square, Suite 800 Southfield, MI 48076
<b>By (print Name)/ Title</b>	Judith A. Kermans, President
<b>Signature</b>	<small>DocuSigned by:</small> <i>Judith A. Kermans</i> <small>CD0B0DB0C9064BB...</small>
<b>Phone</b>	248.799.9000
<b>Date (MM/DD/CCYY)</b>	1/14/2020



January 7, 2020

Ms. Cindy Klimke-Armatoski, CPA  
Chief Trust Finance Officer  
Wisconsin D.E.T.F.  
4822 Madison Yards Way  
Madison, Wisconsin 53705

**Re: Update/Review and Testing of OGS Software Program**

Dear Cindy:

As requested, this letter provides project scope and fees related to updating the OGS (Other Governmental Service) calculation workbook.

This project will involve the following scope of work:

- Updated Mortality assumptions
- Updated Interest Rate assumption
- Update Wage Inflation assumption
- Updated Dividend (COLA) assumption
- Review overall model and determine if any changes to existing model are warranted in light of new actuarial standards or best practices
- Review and test all formulas for various combinations of age and service
- Remove or hide any background information not pertinent to ETF users
- Update model to allow for ETF staff maintenance to the extent possible
- Document Changes made by GRS
- Document spreadsheet for use and understanding by ETF staff

We will complete the update by the end of January, and our fees for this study are \$5,000.

Please let us know if we have understood the assignment properly and if we may proceed.

Sincerely,

A handwritten signature in black ink that reads 'Mark Buis'.

Mark Buis, FSA, EA, FCA, MAAA

MB:sc

cc: James Anderson, GRS  
Brian Murphy, GRS