

PROFESSIONAL SERVICE AGREEMENT

This Agreement between the Retirement Plan Services division of Milwaukee County, a Wisconsin municipal body corporate (herein after called "County"), through its Pension Board, and Baker Tilly Virchow Krause, LLP (herein after called "Contractor") is entered into on March 28, 2017.

1. SCOPE OF SERVICES

The Contractor shall specifically perform all of the tasks as set forth in its engagement Letter, dated March 28, 2017, identified as Exhibit A and Exhibit B and are incorporated herein by reference.

2. PUBLIC RECORDS LAW COMPLIANCE

Both parties understand that the County is bound by the public records law, and as such, all of the terms of this agreement are subject to and conditioned on the provisions of Wis. Stat. § 19.21, *et seq.* Contractor hereby agrees that it shall be obligated to reasonably assist the County in complying with the Wisconsin Public Records Law upon any statutory request having been made, and that any failure to do so shall constitute a material breach of this agreement, whereupon the contractor shall then and in such event be obligated to indemnify, defend and hold the County harmless from liability under the Wisconsin Public Records Law occasioned by such breach. Except as otherwise authorized by the County in writing, records that are subject to the Wisconsin Public Records Law shall be maintained for a period of three years after receipt of final payment under this agreement.

3. GOVERNING LAW AND VENUE

This Agreement and the rights and duties of the parties hereunder shall be governed by and construed, enforced, and performed in accordance with the laws of the state of Wisconsin without regard to principles of conflicts of law. The sole and exclusive venue for any disputes, claims or causes of action, legal or equitable, shall be the state courts of Wisconsin.

This Section 3 and its requirements shall survive the term or any extension terms of this Agreement.

4. STAFFING

The estimated number of hours by position for each of the Phases are outlined below.

Phase 1 Agreed-Upon Procedures

<u>Position</u>	<u>Estimated Hours</u>
Partners	175
Consulting Director	10
Senior Managers	395
Senior Accountants	300
Staff Accountants	890
Clerical	10

Phase 2

Specific hours yet to be determined; based upon procedures to be performed.

Phase 3 Consulting Services

<u>Position</u>	<u>Estimated Hours</u>
Consulting Principal / Director	55
Senior Manager	50
Consulting Managers	110
Consulting Senior	160
Clerical	10

The Contractor shall provide, at its own expense, all personnel required in performing the services under this Agreement.

5. OFFICE SPACE AND OTHER SUPPORT TO BE PROVIDED BY COUNTY

The County hereby agrees to make available, without charge to the Contractor, office space and other items such as office furniture and photocopying needed by the Contractor for the performance of its services agreed to within this Agreement.

County telephones may be used by the Contractor for local telephone calls including the inter-County telephone service for calls to other County institution buildings, Courthouse and other County facilities. All long distance calls placed or received by the Contractor or its officers, agents, and employees of the Contractor shall not be directly billed to the County.

6. DATES OF PERFORMANCE

The Contractor shall begin work within ten (10) days after execution of this Agreement, and this Agreement shall automatically terminate upon completion of the Services (unless earlier terminated subject to the terms of Section 16 or 17 below).

7. COMPENSATION

The total compensation to the Contractor for services performed under this Agreement shall not exceed \$315,000 for Phase 1 and \$240,000 for Phase 2, unless otherwise agreed in writing. We understand procedures relating to Phase 2 will be developed concurrently with the procedures performed in Phase 1. Our Phase 2 fee is based on an estimate of hours, not to exceed 1,500. The aforementioned fees are based on the understanding that one agreed-upon report will be issued. If for any reason, the procedures to be performed would change, a second report would be needed and the total number of hours are expected to increase, our fee will be adjusted accordingly. Services related to Phase 3 shall not exceed \$90,000.

For the purpose of calculating charges and billings an hourly rates by staff classification shall be used:

<u>Classification</u>	<u>Rate</u>
Partner	\$365

Consulting Principal/Director	\$350
Senior Manager	\$275
Consulting Manager	\$264
Manager	\$180
Consulting Senior	\$175
Senior	\$165
Staff	\$130
Clerical	\$120

8. BILLING

The Contractor may provide periodic billings or a final billing.

*** Billings shall be sufficient in detail to identify the services performed, personnel and hours worked, and the amount relating to each phase of this engagement.**

A charge of 1.5% per month shall be imposed on accounts not paid within 60 days of receipt of the Contractor's statement for services provided. Work may be suspended if the County's account becomes 90 days or more overdue and will not be resumed until the County's account is paid in full. If the Contractor elects to terminate services for nonpayment, the Contractor's engagement will be deemed to have been completed upon written notice of termination, even if the Contractor has not completed its report. The County will be obligated to compensate the Contractor for all time expended and to reimburse the Contractor for all out-of-pocket expenditures through the date of termination.

9. REPORTS

The Contractor shall compile the results of its work in reports addressed to the Interim Director of RPS. This Agreement provides for the Contractor to make oral presentations concerning the results of its work before the Milwaukee County Board of Supervisors - Committee on Finance and Audit and Employee Retirement System Pension Board at times selected by the County, with the expectation of no more than four meetings in total.

10. ACCESS TO WORKPAPERS/DOCUMENTATION

The Contractor shall retain the workpapers/documentation associated with performing this engagement for no less than 3 years following the completion of this agreement.

11. RIGHT TO AUDIT

The Contractor shall permit the authorized representatives of the RPS, including the Audit Services Division, after reasonable notice, the right to inspect and audit all data and records related to time and out of pocket expenses of the Contractor related to carrying out this Agreement for a period of up to three (3) years after completion of the contract.

12. NONDISCRIMINATION, EEO AND AFFIRMATIVE ACTION PROGRAMS

In the performance of work under this Agreement, the Contractor shall not discriminate against any employee or applicant for employment because of race, color, national origin, age, sex or disability, including, but not 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 apprenticeships. The Contractor will post in conspicuous places, available for employees and applicants for employment, notices to be provided by the County, setting forth the provisions of the nondiscriminatory clause.

The Contractor agrees that it will strive to implement the principles of equal employment opportunities through an effective affirmative action program, and has so indicated on the certificate which is attached hereto as **Exhibit II** and made a part of this Agreement. The program shall have as its objective to increase the utilization of women, minorities and persons with disabilities, and other protected groups, at all levels of employment in divisions of the Contractor's work force, where these groups may have been previously under-utilized and under-represented. The Contractor also agrees that in the event of any dispute as to compliance with the aforestated requirements, it shall be its responsibility to show that it has met all such requirements.

When a violation of the nondiscrimination, equal employment opportunity or affirmative action provisions of this section has been determined by the County, the Contractor shall immediately be informed of the violation and directed to take all action necessary to halt the violation, as well as such action as may be necessary to correct, if possible, any injustice to any person adversely affected by the violation, and immediately take steps to prevent further violations.

If, after notice of a violation to the Contractor, further violations of this section are committed during the term of the Agreement, the County may terminate the Agreement without liability for the uncompleted portion or any materials or services purchased or paid for by the Contractor for use in completing the Agreement, or it may permit the Contractor to complete the Agreement but, in either event, the Contractor shall be ineligible to bid on any future Agreements let by the County.

13. **DISADVANTAGED BUSINESS ENTERPRISE UTILIZATION**

The provisions of Milwaukee County Ordinance Chapter 42, County Board resolution (as approved annually) and CFR 49 Part 26 are waived in respect to this agreement.

14. INDEMNITY

The Contractor shall indemnify and save the County and Employee Retirement System harmless from all claims, demands, liability, losses, damages and causes of action arising out of its performance of this contract relating to property damage, bodily injury or death caused solely by the Contractor including their negligent acts or omissions.

Because of the importance of management's representation to an effective audit, the County and Employee Retirement System agrees to release and indemnify the Contractor, its personnel from any liability and costs relating to Contractor's services under this agreement attributable to any misrepresentations by management. This provision shall apply to any claim of any kind, including the negligence of either party.

The County and Employee Retirement System shall indemnify and save harmless the Contractor from all claims, demands, liability, losses, damages and causes of action arising out of its performance of this contract relating to property damage, bodily injury or death caused solely by the County or Employee Retirement System including their negligent acts or omissions.

Neither party shall be liable to the other party for consequential, indirect, lost profit, punitive or similar damages relating to the services provided under this Agreement. The liability (including attorney's fees and all other costs) of Contractor and its present or former partners, principals, agents or employees for damages relating to the services performed under this Agreement shall not exceed the fees paid to Contractor for the portion of the work to which the claim relates, except to the extent such liability resulted from intentional, willful, or fraudulent misconduct.

15. INSURANCE

The Contractor agrees to evidence and maintain proof of financial responsibility to cover costs as may arise from claims of tort, statutes and benefits under Workers' Compensation laws and/or vicarious liability arising from employees. Such evidence shall include insurance coverage for Workers' Compensation claims as required by the State of Wisconsin, including employers' liability and business insurance covering general liability and automobile coverage in the following minimum amounts.

Type of Coverage

Minimum Limits

Wisconsin Workers' Compensation
of Proof of All States Coverage
Employer's Liability

Statutory
\$500,000/\$500,000/\$500,000

Comprehensive General Liability

Bodily Injury & Property

\$1,000,000 Per Occurrence

Damage (Incl. Personal Injury,
Fire Legal & Aggregate)

\$2,000,000 General Aggregate

Contractual & Products/Completed Operations

Professional Liability

\$5,000,000 per occurrence or claims
made with an extended reporting period

Automobile Liability

Bodily Injury & Property Damage
All autos owned.

\$1,000,000 Per Accident

non-owned and/or hired

Uninsured / Underinsured Motorists

Per Wisconsin Requirements

Excluding the professional liability insurance, the County shall be named as additional insured, as its interests may appear, and be afforded a thirty (30) day written notice of cancellation or non-renewal. A waiver of subrogation shall be afforded in favor of Milwaukee County on the workers' compensation coverage. A certificate indicating the above coverages shall be submitted for review and approval by the County for the duration of this agreement. With exception of professional liability insurance, coverages shall be placed with an insurance company approved by the State of Wisconsin and rated "A" or better per AM Best's Rating Guide. Professional liability coverage shall be placed with a carrier rated not less than "B" per AM Best's Rating Guide or otherwise mutually agreed upon by both parties. Additional information as to policy form, retroactive date, discovery provisions and applicable retentions, shall be submitted to the County, if requested, to obtain approval of insurance requirements. Any deviations, including use of purchasing groups, risk retention groups, etc., or requests for waiver from the above requirements shall be submitted in writing to the County for approval prior to the commencement of activities under this agreement.

16. TERMINATION BY CONTRACTOR

The Contractor may, at its option, terminate this Agreement upon the failure of the County to pay any amount which may become due hereunder for a period of forty-five (45) days following submission of appropriate billing and supporting documentation. Upon said termination, the Contractor shall be paid the compensation due for all services rendered through the date of termination, including any retainage.

In addition, if for any reasons caused by or relating to the affairs or management of the County, the Contractor is unable to complete the audit or are unable to or have not formed an opinion, or if the Contractor determines in their professional judgment the circumstances necessitate, the Contractor may withdraw and decline to issue a report as a result of this engagement. The Contractor will notify the County in writing. Upon said termination, the Contractor shall be paid for all services rendered through the date of termination, including any retainage.

17. TERMINATION BY COUNTY FOR VIOLATIONS BY CONTRACTOR

If the Contractor fails to fulfill its material obligations under this Agreement in a timely or proper manner, or violates any of its material provisions, the County shall thereupon have the right to terminate it by giving thirty (30) days written notice of termination. It shall not be terminated, if upon receipt of the notice the Contractor promptly cures the alleged violation prior to the end of the thirty (30) day period. In the event of termination, the County will only be liable for services rendered through the date of termination including any retainage and not for the uncompleted portion, or for any materials or services purchased or paid for by the Contractor for use in completing the Agreement.

18. UNRESTRICTED RIGHT OF TERMINATION BY COUNTY

The County further reserves the right to terminate this Agreement at any time for any reason by giving the Contractor thirty (30) days written notice by certified mail of such termination. In the event of said termination, the Contractor shall reduce its activities hereunder as mutually agreed to, upon receipt of said notice. Upon said termination, the Contractor shall be paid for all services rendered through the date of termination, including any retainage. This section also applies should the Milwaukee County Board of Supervisors fail to appropriate additional monies required for the completion of the Agreement.

19. INDEPENDENT CONTRACTORS

Nothing contained in this Agreement shall constitute or be construed to create a partnership or joint venture between the County or its successors or assigns and the Contractor or its successors or assigns. In entering into this Agreement, and in acting in compliance herewith, the Contractor is at all times acting and performing as an independent contractor, duly authorized to perform the acts required of it hereunder.

20. SUBCONTRACTS

The Contractor must obtain prior written approval, from the Interim Director of RPS, for all subconsultants and/or associates used in performing its contractual obligations. Copies of subcontracts or other working arrangements, if any, entered into by the Contractor shall be provided to the Interim Director of RPS prior to commencement of any services covered by this Agreement. All subcontracts must contain the same "right to audit" terms and conditions as provision number ten of this Agreement.

21. ASSIGNMENT LIMITATION

This Agreement shall be binding upon and inure to the benefit of the parties and their successors and assigns; provided, however, that neither party shall assign its obligations hereunder without prior written consent by the other.

22. PROHIBITED PRACTICES

- A. The Contractor, during the period of this Agreement, shall not hire, retain or utilize for compensation any member of a County Board or Commission, officer, or employee of the County without the prior written consent of the County, or any person who to the knowledge of the Contractor has a conflict of interest.
- B. The Contractor hereby attests that it is familiar with Milwaukee County's Code of Ethics (Chapter 9 of the General Ordinances Milwaukee County), which states in part, "No person shall offer or give to any public official or employee, directly or indirectly, and no public official or employee shall solicit or accept from any person, directly or indirectly, anything of value if it could be reasonably expected to influence the public official's or employee's vote, official actions or judgment, or could reasonably be considered as a reward for any official action or inaction or omission by of the public official or employee."

23. NOTICES

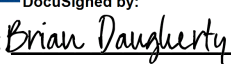
Notices to the County provided for in this Agreement shall be sufficient if sent by certified or registered mail, postage prepaid, addressed to Amy Pechacek, Interim Director of RPS, Milwaukee County – Retirement Plan Services, 901 N. 9th Street, Room 302, Milwaukee, Wisconsin 53233, and notices to the Contractor shall be sufficient if sent by certified or registered mail, postage prepaid to Wayne Morgan, Baker Tilly Virchow Krause, LLP, 777 East Wisconsin Avenue, 32nd Floor, Milwaukee, Wisconsin 53202, or to such other respective addresses as the parties may designate to each other in writing from time to time.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT on the day, month and year first above written.

MILWAUKEE COUNTY:

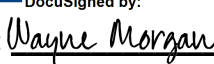
DocuSigned by:
By: 
Amy Pechacek, Interim Director of RPS

Date: 3/31/2017

DocuSigned by:
By: 
Brian Daugherty, Chairman, Pension Board

Date: 3/31/2017

CONTRACTOR:
BAKER TILLY VIRCHOW KRAUSE, LLP

DocuSigned by:
By: 
Wayne Morgan, Partner

Date: 3/31/2017



Baker Tilly Virchow Krause, LLP
777 E. Wisconsin Ave., 32nd Floor
Milwaukee, WI 53202-5313
tel 414 777 5500
fax 414 777 5555
bakertilly.com

March 28, 2017

Ms. Amy Pechacek, Interim Director of Retirement
Plan Services and Director of Risk Management
Milwaukee County
901 North Ninth Street
Room 302
Milwaukee, WI 53233

Dear Ms. Pechacek:

Thank you for using Baker Tilly Virchow Krause, LLP (“we” or “our”) as your accountants and business advisors.

We are pleased to confirm our understanding of the nature and limitations of the services we are to provide for Milwaukee County (County) and the Employees’ Retirement System of the County of Milwaukee (ERS, Retirement System, or the Plan). Further, services described in this engagement letter do not involve providing attestation services relating to the Employees’ Retirement System of the County of Milwaukee’s Annual Report.

Services and Related Report

We will apply the agreed-upon procedures in two phases as listed in the attached schedules that were specified and agreed to by the Director of Audit, Interim Director of Retirement Plan Services and County Corporation Counsel on identified benefits paid by the Plan. The engagement will not be completed until management agrees that the procedures are sufficient for its purposes. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in the report and we will require an acknowledgment in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached schedule either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedures, or if we determine in our professional judgment the circumstances necessitate, we will describe any restrictions on the performance of the procedures in our report, or may withdraw and decline to issue a report as a result of this engagement.

Because the agreed-upon procedures listed in the attached schedules do not constitute an examination or review, we will not express an opinion or conclusion on identified benefits paid by the Plan. In addition, we have no obligation to perform any procedures beyond those listed in the attached schedule.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to the Members of the Pension Audit Committee Employees’ Retirement System of the County of Milwaukee. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from the engagement. You understand this report is intended solely for the use of management of the County and ERS and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

March 28, 2017

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An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the identified benefits paid by the Plan that has come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict identified benefits paid by the Plan, we will disclose those matters in our report. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

You are responsible for identifying the benefits paid by the Plan and they are in accordance with Chapter 201 of the General Ordinances of Milwaukee County (Chapter 201); and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are responsible for, and agree to provide us with, a written assertion about identified benefits paid by the Plan. In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

Wayne Morgan is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Non-Attest Services

Prior to or as part of our engagement, it may be necessary for us to perform certain non-attest services. We will not perform any management functions or make management decisions on your behalf with respect to any non-attest services we provide.

In connection with our performance of any non-attest services, you agree that you will:

- > Continue to make all management decisions and perform all management functions.
- > Designate a competent employee with suitable skill, knowledge and/or experience, preferably within senior management, to oversee the services we perform.
- > Evaluate the adequacy and results of the non-attest services we perform.
- > Accept responsibility for the results of our non-attest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the non-attest function.

Timing and Fees

We plan to begin our procedures as soon as we can mutually agree and receive the necessary information. At the conclusion of our engagement, we will require certain representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the identified benefits paid by the Plan in accordance with Chapter 201. Completion of our work is subject to, among other things, (i) appropriate cooperation from the County and Retirement System's personnel, including the timely providing of necessary documents and (ii) timely responses to our inquiries. When and if for any reason the County or Retirement System is unable to provide such documents, information and assistance, Baker Tilly Virchow Krause, LLP and you will mutually revise the fee to reflect additional services, if any, required of us to complete the engagement.

March 28, 2017

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Invoices for these fees will be rendered each month as work progresses and are payable on presentation. A charge of 1.5% per month shall be imposed on accounts not paid within 60 days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Our fee estimate for these agreed-upon procedures will be \$315,000 for Phase 1 and range from \$110,000-\$240,000 for Phase 2. We understand procedures relating to Phase 2 will be developed concurrently with the procedures performed in Phase 1. Our Phase 2 fee is based on an estimate of hours, not to exceed 1,500. The aforementioned fees are based on the understanding that one agreed-upon report will be issued. If for any reason, the procedures to be performed would change, a second report would be needed and the total number of hours are expected to increase, our fee will be adjusted accordingly. Should our time be less than the estimate, we will of course bill the lower amount.

Our fees, as summarized above, are based upon attestation standards established by the American Institute of Certified Public Accountants that have been issued and are effective as of the date of this letter. Should additional standards be issued subsequent to, or become effective for, the periods covered by this engagement, our estimated fees will be adjusted accordingly.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly Virchow Krause, LLP staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals.

Other Matters

Baker Tilly Virchow Krause, LLP is owned by professionals who hold CPA licenses as well as by professionals who are not licensed CPAs. Depending on the nature of the services we provide, non-CPA owners may be involved in providing services to you now or in the future.

Any additional services that may be requested and we agree to provide will be the subject of separate arrangements.

In the event we are requested or authorized by the County or Retirement System, or required by government regulation, subpoena, or other legal process to produce our working papers or our personnel as witnesses with respect to our engagement for the County or Retirement System, the County or Retirement System will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such a request.

Neither this engagement letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this engagement letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization, or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this engagement letter.

Baker Tilly Virchow Krause, LLP is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly Virchow Krause, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly

March 28, 2017
Page 4

International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly Virchow Krause, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This engagement letter reflects the entire agreement between us relating to the services covered by this letter. It replaces and supersedes any previous proposals, correspondence and understandings, whether written or oral. If any provision of this letter is determined to be unenforceable, all the other provisions shall remain in force. The agreement contained in this engagement letter shall survive the completion or termination of this engagement. If because of a change in the County or Retirement System's status or due to any other reason, any provision in this agreement would be prohibited by, or would impair our independence under, laws, regulations or published interpretations by governmental bodies, commissions, or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

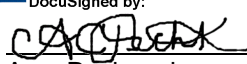
The validity, construction and enforcement of this engagement letter shall be determined in accordance with the laws of the State of Wisconsin, without reference to its conflicts of laws principles, and any action arising under this engagement letter shall be brought exclusively in the State of Wisconsin.

We appreciate the opportunity to be of service to you. If there are any questions, please call Wayne Morgan at 414-777-5400. If the services outlined herein are in accordance with your requirements and if the above terms are acceptable, please have one copy of this letter signed in the space provided below and return it to us. If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Sincerely,

BAKER TILLY VIRCHOW KRAUSE, LLP

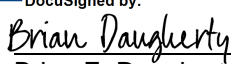
The services and terms set forth in the engagement letter are agreed to by:

DocuSigned by:


Amy Rebeck
Interim Director of Retirement
Plan Services and Director of Risk Management

3/31/2017

Date

DocuSigned by:


Brian E. Daugherty
Chairman, Pension Board

3/31/2017

Date

Attachment – Phase 1 Agreed-Upon Procedures

In connection with the identified benefits paid by the Plan, the County and Retirement System have requested certain agreed-upon procedures to be performed.

As instructed by you, we will perform the following procedures on the four identified areas (items 1 through 4 below). Populations provided below are based on historical information available beginning on June 5, 1991.

1. We will verify inputs used to calculate disability payments. Specifically, disability offsets including workers compensation, individual earnings outside of the pension limit, and conversions of payment amount once a retiree reaches the age of 62. A total of 228 individuals have been identified for these procedures.
2. We will verify survivor benefits under sections 6.1, 6.4, and 7.1 within Chapter 201. Verification of the proper paperwork required to continue receiving the benefit, including receipt of a Protective Survivorship Option (PSO) is being submitted. A total of 310 individuals have been identified as receiving these type of payments and will be part of these procedures.
3. We will verify 16 individuals are within the appropriate U.S. Code 415 limitations. Management will provide a listing of the individuals for these procedures.
4. We will verify inputs used to calculate retirement benefits for 12 individuals who previously retired and were subsequently rehired by the County.
5. As part of the four identified aforementioned areas, management will be responsible for providing the inputs we shall verify.
6. Individuals as part of these procedures identified in 1 through 4 above will be compared against the individuals/type of errors submitted under the 2008 and 2014 Voluntary Compliance Program.
7. We will haphazardly select 50 individuals out of a population listing to be provided by the Retirement System and verify inputs used to calculate retirement payments.

Attachment – Phase 2 Agreed-Upon Procedures

In connection with the identified benefits paid by the Plan, the County and Retirement System have requested certain agreed-upon procedures to be performed.

As instructed by you, we will perform the following procedures related to the individuals/errors identified in the 2008 and 2014 Voluntary Compliance Program reports.

1. Specific procedures to be performed are under consideration by management and will be further defined concurrent with Phase 1.



Baker Tilly Virchow Krause, LLP
777 East Wisconsin Ave, 32nd Floor
Milwaukee, WI 53202-5313
United States of America

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F: +1 414 777 5555

bakertilly.com

March 28, 2017

Amy Pechacek
Interim Director of Retirement Plan Services and Director Risk Management
Milwaukee County
901 North Ninth Street
Room 302
Milwaukee, WI 53233

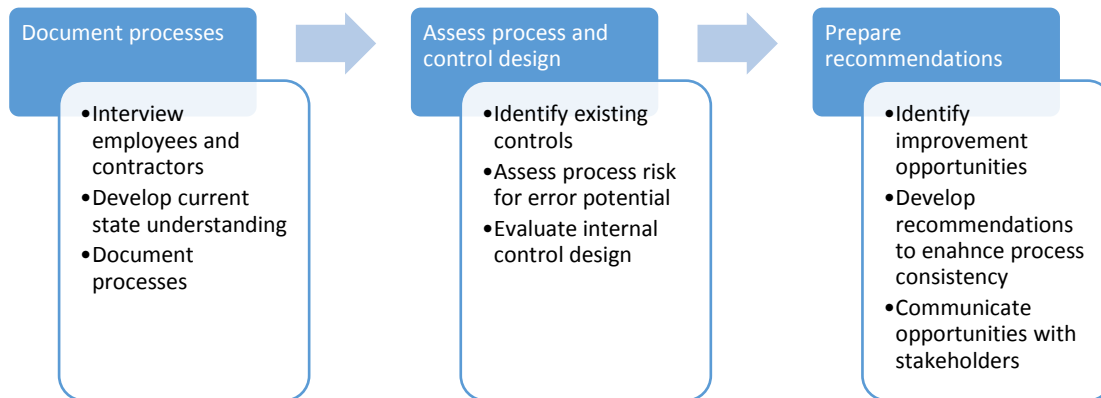
Dear Ms. Pechacek:

This letter serves to confirm our understanding and agreement relating to reviewing the pension administration process to identify internal control improvement opportunities that Baker Tilly Virchow Krause, LLP (“Baker Tilly”), will perform for Milwaukee County (“The County”).

The purpose of this engagement is to work with The County to develop a comprehensive understanding of the processes currently utilized to make modifications to pension plans and payments in order to determine whether improvement opportunities exist for The County to increase payment accuracy. This Statement of Work (“SOW”) is governed by the Baker Tilly Virchow Krause Standard Business Terms, which are included as part of this agreement and in the Professional Service Agreement entered into by Baker Tilly and The County on March 28, 2017.

Project Approach

Specifically, we will undertake the following phased approach:



Ms. Amy Pechacek
Interim Director of Retirement Plan Services and Director of Risk Management
Milwaukee County

March 28, 2017
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Phase 1: Document processes

Through a mix of interviews, facilitated workshops, and/or documentation review, Baker Tilly will develop an understanding of the current state processes related to pension administration. Additionally, Baker Tilly will prepare process flows in order to document this understanding. Process flows will be important in order to help identify process inefficiencies and system interactions. The County will retain these process flows and be able to leverage them for future process enhancement.

Critical work plan steps, process scope, and deliverables for this phase are provided below:

Detailed work plan steps	Deliverables
<ul style="list-style-type: none"> > Identify key stakeholders > Schedule interviews > Obtain and review relevant existing documentation > Prepare process flow documentation > Review process flows with Milwaukee County personnel and validate accuracy 	<ul style="list-style-type: none"> > Process flows

Phase 2: Assess process and control design

Based on the developed process understanding, Baker Tilly will critically assess the process to identify areas of process inefficiency or identify complicating factors that may contribute to pension calculation and payment errors. Additionally, Baker Tilly will identify internal controls in place within these processes and evaluate the design of those controls to determine whether controls are reasonably sufficient to identify and correct pension calculation and payment errors.

Critical work plan steps and deliverables for this phase are provided below:

Detailed work plan steps	Deliverables
<ul style="list-style-type: none"> > Analyze processes and identify factors that may contribute to pension calculation and payment errors > Identify internal controls within the current state processes > Assess the design of identified internal controls 	<ul style="list-style-type: none"> > Fishbone diagram for potential process defects > Internal control listing > Internal control design evaluation

Phase 3: Prepare recommendations

Utilizing the information accumulated and prepared in the previous phases, Baker Tilly will prepare recommendations where pension administration processes and internal control procedures can be enhanced to reduce the likelihood for pension calculation and payment errors. Upon reaching consensus with Milwaukee County representatives about the improvement opportunities, Baker Tilly will prepare a final report containing recommendations for process improvements and internal control enhancements.

Ms. Amy Pechacek
 Interim Director of Retirement Plan Services and Director of Risk Management
 Milwaukee County

March 28, 2017
 Page 3

Critical work plan steps and deliverables for this phase are provided below:

Detailed work plan steps	Deliverables
<ul style="list-style-type: none"> > Assess processes and internal control design to define improvement opportunities > Evaluate root-cause factors and draft recommendations to enhance processes and internal controls > Review improvement opportunities and recommendations with Milwaukee County stakeholders and build consensus > Prepare final report of improvement opportunities and recommendations 	<ul style="list-style-type: none"> > Improvement opportunities and internal control recommendations > Final report

Project Scope

Pension management processes included in the scope of this project include:

- > Retirement processing – process to convert an employee to a retiree
 - o Retirement
 - o Re-retirement
- > Benefits calculation – process to determine appropriate benefit payment and enter into V3
 - o Retirement
 - o Re-retirement
- > Payee administration – process to create and maintain payee data in V3
 - o Eligibility
 - o Start
 - o Stop
 - o COLA
 - o Buy-back
- > Pension reporting – data flow and source systems for all pension calculation and payment data
- > Pension data maintenance – process to modify payee data and detect unauthorized changes
- > Plan administration information – process to modify plan design and payment types in V3 and detect unauthorized changes

Project Team

Wayne Morgan will serve as the engagement partner providing executive leadership for the project. Tom Wojcinski will serve as the engagement director providing overall direction for the project. Emily Di Nardo will be responsible for conducting and managing all project activities.

Amy Pechacek from Milwaukee County will serve as the project sponsor and will assist in confirming the final project approach and assist with resource coordination and issue resolution.

Ms. Amy Pechacek
Interim Director of Retirement Plan Services and Director of Risk Management
Milwaukee County

March 28, 2017
Page 4

Project Assumptions

The following assumptions have been made for estimating purposes in development of the project scope, approach, and fee estimate. To the extent that these assumptions do not hold true throughout the project, the scope, timing, and fees related to this project may change. Any change in assumptions will be discussed and agreed to in advance of changing scope, approach, or adjusting the fee estimate.

- > Interviews will be performed at The County's office locations in Milwaukee, Wisconsin, and will be planned and scheduled so that process owners will be available as needed throughout the engagement. The range for fees will allow The County to work with Baker Tilly to determine the appropriate number of interviews. Our fees assume a range of up to 10 interviews of stakeholders and resources.
- > All required information and personnel necessary for engagement objectives to be achieved will be made available to Baker Tilly in a timely manner and will be available to support the project, commencing immediately after the delivery of the initial information and scheduling request to The County; in the event of delays, the overall elapsed time and associated costs may be impacted.
- > Project status meetings will occur biweekly or as requested by the project sponsor.
- > The County will make all final decisions on processes and controls, and to confirm management's ownership of the control environment.
- > The County will promptly provide feedback on draft deliverables.

Timing and Professional Fees

The project will be scheduled upon receipt of a signed engagement letter. We understand that timely completion of this project is of utmost importance. We anticipate initiating this project in April 2017; the exact schedule and site visit dates will be finalized based on coordination with The County.

Our fee for this engagement is estimated to be \$80,000 - \$90,000 and will be billed on a time and materials basis. This fee estimate is based on the previously noted assumptions. Any factors that cause the assumptions to change the fee, unless caused by Baker Tilly, will be discussed and agreed to in advance of incurring additional fees.

Acknowledgement

We appreciate the opportunity to work with you on this important project. You have our assurance that this project will receive our close and careful attention. This Statement of Work ("SOW") is governed by the Baker Tilly Virchow Krause Standard Business Terms, which are included as part of this agreement and in the Professional Service Agreement entered into by Baker Tilly and The County on March 28, 2017. If you have any questions or comments, please feel free to contact Tom at 414 777 5536 or me at 414 777 5400.

Ms. Amy Pechacek
Interim Director of Retirement Plan Services and Director of Risk Management
Milwaukee County

March 28, 2017
Page 5

Please indicate your acceptance of this engagement by signing in the space provided below and returning this engagement letter to us.

Very truly yours,

BAKER TILLY VIRCHOW KRAUSE, LLP


Baker Tilly Virchow Krause, LLP
Wayne Morgan, Partner, CPA

Please indicate your approval by signing and returning to my attention.

AUTHORIZATION

The foregoing letter fully describes our understanding and is accepted by us:

Milwaukee County

DocuSigned by:

Signature

Director of Risk Management
Title

3/31/2017
Date

Baker Tilly Virchow Krause, LLP

Standard Business Terms

These Standard Business Terms ("Terms") govern the services provided by Baker Tilly Virchow Krause, LLP ("Baker Tilly", "we", "us" or "our") set forth in the Statement of Work to which these Terms are attached (the "Services"). These Terms, together with the Statement of Work to which they are attached, constitute the entire understanding and agreement between the client identified on such Statement of Work (the "Client") and Baker Tilly with respect to the Services described in the Statement of Work (collectively, the Statement of Work and these Terms are referred to as the "Agreement") and supersede and incorporate all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto. If there is a conflict between these Terms and the terms of any Statement of Work, these Terms shall govern.

Section 1. Confidentiality

With respect to this Agreement and any information supplied in connection with this Agreement and designated by the disclosing party (the "Disclosing Party") as "Confidential Information" either by marking it as "confidential" prior to disclosure to the receiving party (the "Recipient") or, if such information is disclosed orally or by inspection, then by indicating to the Recipient that the information is confidential at the time of disclosure and confirming in writing to the Recipient, the confidential nature of the information within ten (10) business days of such disclosure, the Recipient agrees to: (i) protect the Confidential Information in the same manner in which it protects its confidential information of like importance, but in no case using less than reasonable care; (ii) use the Confidential Information only to perform its obligations under this Agreement; and (iii) reproduce Confidential Information only as required to perform its obligations under this Agreement. This section shall not apply to information which is (A) publicly known, (B) already known to the recipient; (C) disclosed to a third party without restriction; (D) independently developed; or (E) disclosed pursuant to legal requirement or order, or as is required by regulations or professional standards governing the Services performed. Subject to the foregoing, Baker Tilly may disclose Client's Confidential Information to its subcontractors and subsidiaries.

Section 2. Deliverables

(a) Materials specifically prepared by Baker Tilly for Client as a deliverable under a Statement of Work (each a "Deliverable") may, when fully paid for by Client, be used, copied, distributed internally, and modified by Client but solely for its internal business purposes. Client shall not, without Baker Tilly's prior written consent, disclose to a third party, publicly quote or make reference to the Deliverables. Baker Tilly shall retain all right, title and interest in and to: (i) the Deliverables, including but not limited to, all patent, copyright, trademark and other intellectual property rights therein; and (ii) all methodologies, processes, techniques, ideas, concepts, trade secrets and know-how embodied in the Deliverables or that Baker Tilly may develop or supply in connection with this Agreement (the "Baker Tilly Knowledge"). Subject to the confidentiality restrictions contained in Section 1, Baker Tilly may use the Deliverables and the Baker Tilly Knowledge for any purpose.

(b) The documentation for this engagement, including the workpapers, is not part of the Deliverables, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. If we are required by law, regulation or professional standards to make certain documentation available to Regulators, Client hereby authorizes us to do so.

Section 3. Acceptance

Client shall accept Deliverables which (i) substantially conform to the specifications in the Statement of Work or (ii) where applicable, successfully complete the mutually agreed to acceptance test plan described in the Statement of Work. Client will promptly give Baker Tilly written notification of any non-conformance of the Deliverables with such requirements ("Non-conformance") within thirty (30) days following delivery of such Deliverables, and Baker Tilly shall have a reasonable period of time, based on the severity and complexity of the Non-conformance, to correct the Non-conformance so that the Deliverables substantially conform to the specifications. If Client uses the Deliverable before acceptance, fails to promptly notify Baker Tilly of any Non-conformance within such 30-day period, or delays the beginning of acceptance testing more than five (5) business days past the agreed upon date for the start of such acceptance testing as specified or otherwise determined under the Statement of Work, then the Deliverable shall be deemed irrevocably accepted by the Client.

Section 4. Standards of Performance

Baker Tilly shall perform its Services in conformity with the terms expressly set forth in this Agreement. Accordingly, our Services shall be evaluated on our substantial conformance with such terms and standards. Any claim of nonconformance (and applicability of such standards) must be clearly and convincingly shown. Client acknowledges that the Services will involve the participation and cooperation of management and others of Client. Unless required by professional standards or Client and Baker Tilly otherwise agree in writing, Baker Tilly shall have no responsibility to update any of its work after its completion.

Section 5. Warranty

(a) Each party represents and warrants to the other that it has full power and authority to enter into and perform this Agreement and any Statement of Work entered into pursuant hereto and the person signing this Agreement or such Statement of Work on behalf of each party hereto has been properly authorized and empowered to enter into this Agreement.

(b) Client warrants that it has the legal right and authority, and will continue to have the legal right and authority during the term of this Agreement, to operate, configure, provide, place, install, upgrade, add, maintain and repair (and authorize Baker Tilly to do any of the foregoing to the extent the same are included in the Services) the hardware, software and data that comprises any of Client's information technology system upon which or related to which Baker Tilly provides Services under this Agreement.

(c) Baker Tilly warrants that any Services that it provides to Client under this Agreement and any Statement of Work will be performed in accordance with generally accepted industry standards of care and competence. Client's sole and exclusive remedy for a breach of Baker Tilly's warranty will be for Baker Tilly, in its sole discretion, to either: (i) use its reasonable commercial efforts to re-perform or correct the Services, or (ii) refund the fee Client paid for the Services that are in breach of Baker Tilly's warranty. Client must make a claim for breach of warranty in writing within thirty (30) days of the date that the Services that do not comply with Baker Tilly's warranty are performed. This warranty is voided in the event that Client makes alterations to the Services provided by Baker Tilly or to the environment in which the Services are used (including the physical, network and systems environments) that are not authorized in writing by Baker Tilly. If Client does not notify Baker Tilly of a breach of Baker Tilly's warranty during that 30-day period, Client will be deemed to have irrevocably accepted the Services.

(d) Baker Tilly does not warrant any third-party product (each, a "Product"). All Products are provided to Client by Baker Tilly "AS IS." Baker Tilly will, to the extent it is allowed to by its vendors, pass through any warranties and indemnifications provided by the manufacturer of the Product. Client, recognizing that Baker Tilly is not the manufacturer of any Product, expressly waives any claim that Client may have against Baker Tilly based upon any product liability or infringement or alleged infringement of any patent, copyright, trade secret or other intellectual property right (each a "Claim") with respect to any Product and also waives any right to indemnification from Baker Tilly against any such Claim made against Client by another. Client acknowledges that no employee of Baker Tilly or any other party is authorized to make any representation or warranty on behalf of Baker Tilly that is not in this Agreement.

(e) This section 5 is Baker Tilly's only warranty concerning the services and any deliverable, and is made expressly in lieu of all other warranties and representations, express or implied, including any implied warranties of merchantability, ACCURACY, TITLE, non-infringement, or fitness for a particular purpose, or otherwise.

Baker Tilly Virchow Krause, LLP Standard Business Terms (cont.)

Section 6. Limitation on Damages and Indemnification

(a) The liability (including attorney's fees and ALL other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Agreement shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for ANY lost profits, LOST Business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages DELAYS, INTERRUPTIONS, OR VIRUSES arising out of or related to this Agreement even if the other party has been advised of the possibility of such damages.

(b) As Baker Tilly is performing the Services solely for the benefit of Client, Client will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorneys' fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the Services, Client's use of the Deliverables, or this Agreement.

(c) In the event Baker Tilly is requested by the Client; or required by government regulation, subpoena, or other legal process to produce our engagement working papers or its personnel as witnesses with respect to its Services rendered for the Client, so long as Baker Tilly is not a party to the proceeding in which the information is sought, Client will reimburse Baker Tilly for its professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

(d) Because of the importance of the information that Client provides to Baker Tilly with respect to Baker Tilly's ability to perform the Services, Client hereby releases Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorneys fees, relating to the Services, that arise from or relate to any information, including representations by management, provided by Client, its personnel or agents, that is not complete, accurate or current.

(e) Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Agreement are material bargained for bases of this Agreement and that they have been taken into account and reflected in determining the consideration to be given by each party under this Agreement and in the decision by each party to enter into this Agreement.

(f) The terms of this Section 6 shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort, or any form of negligence, whether of Client, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Agreement.

(g) Client accepts and acknowledges that any legal proceedings arising from or in conjunction with the services provided under this Agreement must be commenced within twelve (12) months after the performance of the Services for which the action is brought, without consideration as to the time of discovery of any claim.

Section 7. Personnel

During the term of this Agreement, and for a period of six (6) months following the expiration or termination thereof, neither party will actively solicit the employment of the personnel of the other party involved directly with providing Services hereunder. Both parties acknowledge that the fee for hiring personnel from the other party, during the project term and within six months following completion, will be a fee equal to the hired person's annual salary at the time of the violation so as to reimburse the party for the costs of hiring and training a replacement.

Section 8. Termination

(a) This Agreement may be terminated at any time by either party upon written notice to the other. However, upon termination of this Agreement, this Agreement will continue to remain in effect with respect to any Statement(s) of Work already issued at the time of such termination, until such Statements of Work are themselves either terminated or the performance thereunder is completed.

(b) This Agreement and all Statements of Work may be terminated by either party effective immediately and without notice, upon: (i) the

dissolution, termination of existence, liquidation or insolvency of the other party, (ii) the appointment of a custodian or receiver for the other party, (iii) the institution by or against the other party of any proceeding under the United States Bankruptcy Code or any other foreign, federal or state bankruptcy, receivership, insolvency or other similar law affecting the rights of creditors generally, or (iv) the making by the other party of any assignment for the benefit of creditors.

(c) Client shall pay Baker Tilly for all Services rendered and expenses incurred as of the date of termination, and shall reimburse Baker Tilly for all reasonable costs associated with any termination.

(d) Any rights and duties of the parties that by their nature extend beyond the expiration or termination of this Agreement, including but not limited to, limitation of liability, confidentiality, ownership of work product, and survival of obligations, any accrued rights to payment and remedies for breach of this Agreement shall survive the expiration or termination of this Agreement or any Statement of Work.

Section 9. Dispute Resolution

(a) Except for disputes related to confidentiality or intellectual property rights, all disputes and controversies between the parties hereto of every kind and nature arising out of or in connection with this Agreement as to the existence, construction, validity, interpretation or meaning, performance, nonperformance, enforcement, operation, breach, continuation, or termination of this Agreement shall be resolved as set forth in this Section using the following procedure: In the unlikely event that differences concerning the Services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by engaging in mediation administered by the American Arbitration Association under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation and the fees and expenses of the mediator shall be shared equally by the parties. If the dispute is not resolved by mediation, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act ("FAA") and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre-hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from AAA, JAMS, the Center for Public Resources, or any other internationally or nationally-recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within 15 days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award non-monetary or equitable relief and will not have the right to award punitive damages. The award of the arbitration shall be in writing and shall be accompanied by a well reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. In no event shall a demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim would be barred under the applicable statute of limitations.

(b) Because a breach of any the provisions of this Agreement concerning confidentiality or intellectual property rights will irreparably harm the non-breaching party, Client and Baker Tilly agree that if a party breaches any of its obligations thereunder, the non-breaching party shall, without limiting its other rights or remedies, be entitled to seek equitable relief (including, but not limited to, injunctive relief) to enforce its rights thereunder, including without limitation protection of its proprietary rights. The parties agree that the parties need not invoke the mediation procedures set forth in this section in order to seek injunctive or declaratory relief.

Baker Tilly Virchow Krause, LLP Standard Business Terms (cont.)

Section 10. Force Majeure

In the event that either party is prevented from performing, or is unable to perform, any of its obligations under this Agreement due to any act of God, fire, casualty, flood, war, strike, lock out, failure of public utilities, injunction or any act, exercise, assertion or requirement of any governmental authority, epidemic, destruction of production facilities, insurrection, inability to obtain labor, materials, equipment, transportation or energy sufficient to meet needs, or any other cause beyond the reasonable control of the party invoking this provision ("Force Majeure Event"), and if such party shall have used reasonable efforts to avoid such occurrence and minimize its duration and has given prompt written notice to the other party, then the affected party's failure to perform shall be excused and the period of performance shall be deemed extended to reflect such delay as agreed upon by the parties.

Section 11. Taxes

Baker Tilly's fees are exclusive of any federal, national, regional, state, provincial or local taxes, including any VAT or other withholdings, imposed on this transaction, the fees, or on Client's use of the Services or possession of the Deliverable (individually or collectively, the "Taxes"), all of which shall be paid by Client without deduction from any fees owed by Client to Baker Tilly. In the event Client fails to pay any Taxes when due, Client shall defend, indemnify, and hold harmless Baker Tilly, its officers, agents, employees and consultants from and against any and all fines, penalties, damages, costs (including, but not limited to, claims, liabilities or losses arising from or related to such failure by Client) and will pay any and all damages, as well as all costs, including, but not limited to, mediation and arbitration fees and expenses as well as attorneys' fees, associated with Client's breach of this Section 11.

Section 12. Notices

Any notice or communication required or permitted under this Agreement or any Statement of Work shall be in writing and shall be deemed received (i) on the date personally delivered; or (ii) the date of confirmed receipt if sent by Federal Express, DHL, UPS or any other reputable carrier service, to applicable party (sending it to the attention of the title of the person signing this Agreement) at the address specified on the signature page of this Agreement or such other address as either party may from time to time designate to the other using this procedure.

Section 13. Miscellaneous

(a) This Agreement and any Statement(s) of Work constitute the entire agreement between Baker Tilly and Client with respect to the subject matter hereof and supersede all prior agreements, promises, understandings and negotiations, whether written or oral, regarding the subject matter hereof. No terms in any Client purchase order that are different from, or additional to, the terms of this Agreement will be accorded any legal effect and are specifically hereby objected to by Baker Tilly. This Agreement and any Statement of Work cannot be amended unless in writing and signed by duly authorized representatives of each party. Headings in this Agreement are included for convenience only and are not to be used to construe or interpret this Agreement.

(b) In the event that any provision of this Agreement or any Statement of Work is held by a court of competent jurisdiction to be unenforceable because it is invalid or in conflict with any law of any relevant jurisdiction, the validity of the remaining provisions shall not be affected, and the rights

and obligations of the parties shall be construed and enforced as if the Agreement or such Statement of Work did not contain the particular provisions held to be unenforceable. The unenforceable provisions shall be replaced by mutually acceptable provisions which, being valid, legal and enforceable, come closest to the intention of the parties underlying the invalid or unenforceable provision. If the Services should become subject to the independence rules of the U.S. Securities and Exchange Commission with respect to Client, such that any provision of this Agreement would impair Baker Tilly's independence under its rules, such provision(s) shall be of no effect.

(c) Neither this Agreement, any Statement of Work, any claims nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Agreement and any Statement of Work to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization, or the sale of interests or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Agreement.

(d) The validity, construction and enforcement of this Agreement shall be determined in accordance with the laws of the State of Illinois, without reference to its conflicts of laws principles, and any action (whether by arbitration or in court) arising under this Agreement shall be brought exclusively in the State of Illinois. Both parties consent to the personal jurisdiction of the state and federal courts located in Illinois.

(e) The parties hereto are independent contractors. Nothing herein shall be deemed to constitute either party as the representative, agent, partner or joint venture of the other.

(f) The failure of either party at any time to enforce any of the provisions of this Agreement or a Statement of Work will in no way be construed as a waiver of such provisions and will not affect the right of party thereafter to enforce each and every provision thereof in accordance with its terms.

(g) Client acknowledges that: (i) Baker Tilly and Client may correspond or convey documentation via Internet e-mail unless Client expressly requests otherwise, (ii) neither party has control over the performance, reliability, availability, or security of Internet e-mail, and (iii) Baker Tilly shall not be liable for any loss, damage, expense, harm or inconvenience resulting from the loss, delay, interception, corruption, or alteration of any Internet e-mail.

(h) Except to the extent expressly provided to the contrary, no third-party beneficiaries are intended under this Agreement.

(i) Baker Tilly Virchow Krause, LLP is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly Virchow Krause, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly Virchow Krause, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

Acknowledgement:

The Business Terms above correctly sets forth the understanding of the Client.

Accepted by DocuSigned by:

Signature: Brian Daugherty

Title: Chairman

Date: 3/31/2017

March 28, 2017

Ms. Amy Pechacek, Interim Director of Retirement
Plan Services and Director of Risk Management
Milwaukee County
901 North Ninth Street
Room 302
Milwaukee, WI 53233

Dear Ms. Pechacek:

This letter is intended to formally address the utilization of Baker Tilly Virchow Krause, LLP. (Baker Tilly) personnel for the below identified project who are independent with respect to specific other services performed by Baker Tilly for Milwaukee County (County).

Effective with the execution of a certain contract for engagement between County, as represented by Amy Pechacek, Interim Director of Retirement Plan Services (RPS) and Baker Tilly dated March 28, 2017 (The Contract), Baker Tilly is contracted to perform specific agreed-upon-procedures, as well as provide recommendations related to benefit calculations and payments connected to the Employees' Retirement System of The County of Milwaukee (Retirement System).

As part of this contract negotiation and in response to a specific request of County personnel responsible for management of this engagement, Baker Tilly has agreed to develop a project work plan that will both leverage existing knowledge of Milwaukee County and the Retirement System, as well as, incorporate the utilization of Baker Tilly personnel who are independent of the current financial statement audit for the Retirement System.

As a result, the above referenced engagement will be structured to utilize Baker Tilly personnel who are not involved in the December 31, 2016 audit of the Retirement System for at least 70% of total project hours.

As a result of this project structure, Baker Tilly intends to leverage existing knowledge of Milwaukee County and the Retirement System to best structure the engagement in a way that avoids a long learning curve while incorporating a fresh perspective of individuals unfamiliar with the Retirement System.

Sincerely,

Wayne T. Morgan
Office Managing Partner - Milwaukee

Certificate Of Completion

Envelope Id: D569B0ADE37C491B91F1083B580DD7E9

Status: Completed

Subject: Please DocuSign: 2017 AUP Audit Contract

Source Envelope:

Document Pages: 24

Signatures: 7

Envelope Originator:

Supplemental Document Pages: 0

Initials: 0

Jennifer Mueller

Certificate Pages: 5

AutoNav: Enabled

Payments: 0

633 W. Wisconsin Ave.

Envelopeld Stamping: Enabled

Suite 901

Time Zone: (UTC-06:00) Central Time (US &

Milwaukee, WI 53203

Canada)

jennifer.mueller@milwaukeecountywi.gov

IP Address: 204.194.251.3

Record Tracking

Status: Original

Holder: Jennifer Mueller

Location: DocuSign

3/30/2017 3:02:48 PM

jennifer.mueller@milwaukeecountywi.gov

Signer Events

Amy Pechacek

amy.pechacek@milwaukeecountywi.gov

Director of Risk Management

Milwaukee County


Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:

Accepted: 2/25/2014 12:36:39 PM

ID: 55fe780a-2930-46fa-8578-dc7e4fbad47c

Signature

DocuSigned by:

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Using IP Address: 204.194.251.5

Timestamp

Sent: 3/30/2017 3:30:42 PM

Viewed: 3/31/2017 4:53:23 AM

Signed: 3/31/2017 9:01:29 AM

Brian Daugherty

daughert@uwm.edu

Chairman

Security Level: Email, Account Authentication (None)

Electronic Record and Signature Disclosure:

Accepted: 3/31/2017 11:13:31 AM

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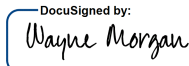
Viewed: 3/31/2017 11:13:31 AM

Signed: 3/31/2017 11:15:03 AM

Wayne Morgan

wayne.morgan@bakertilly.com

Security Level: Email, Account Authentication (None)

DocuSigned by:

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Signed: 3/31/2017 1:16:56 PM

Electronic Record and Signature Disclosure:

Accepted: 3/31/2017 11:15:52 AM

ID: 0871ce9a-2162-4a75-a423-18ddea47da9e

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events	Status	Timestamp
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Notary Events	Timestamp
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Envelope Summary Events	Status	Timestamps
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Envelope Sent	Hashed/Encrypted	3/31/2017 11:15:04 AM
Certified Delivered	Security Checked	3/31/2017 11:15:52 AM
Signing Complete	Security Checked	3/31/2017 1:16:57 PM
Completed	Security Checked	3/31/2017 1:16:57 PM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure

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Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none">• Allow per session cookies• Users accessing the internet behind a Proxy Server must enable HTTP

1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

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