The University has made several enhancements and updates to the 403(b) Retirement Program and the 457(b) Deferred Compensation Plan for faculty and staff. The enhancements are designed to better support your efforts to save and invest for retirement. The basic design of the plans will remain the same, and the changes will not affect the University contribution formula or your eligibility to participate.

**What's new?**

A streamlined investment menu: The University has introduced a new, user-friendly investment structure with a streamlined set of investment options designed to meet the diverse needs and investing preferences for faculty and staff. The investment options have been screened and will be reviewed on a periodic basis. Mutual funds and annuities will be offered from well-known investment providers such as Lord Abbett, PIMCO, T. Rowe Price, TIAA-CREF, and Vanguard. Learn more about the new menu at www.tiaa-cref.org/Rochester.

Self-directed brokerage account option: A Self-Directed Brokerage Account (SDBA) option is available for those who wish to invest in mutual funds that are not available on the new investment menu. Designed for the sophisticated investor, the SDBA option allows you to invest in thousands of mutual funds from hundreds of fund families. Learn more about the brokerage account option at www.tiaa-cref.org/broage or call (800) 410-6497. A full list of fund families is available at www.tiaa-cref.org/Rochester.

One recordkeeper—TIAA-CREF: Retirement plans are also being consolidated to one recordkeeper, TIAA-CREF. Having a single recordkeeper enables you to enroll using a single logon, receive one consolidated statement, and access a single enhanced website. If you do not have an applicable account with TIAA-CREF, you should have recently received a welcome package from TIAA-CREF. The package, sent to your home address, includes information about your new account, how to make investment changes, and how to update your beneficiaries.

**Why are changes being made?**

During the last year and a half, the University’s Retirement Plan Committee analyzed the current retirement plan options and providers. One of the committee’s main responsibilities is fiduciary in nature, which means ensuring program costs are kept reasonable, that plans are administered in compliance with regulatory requirements, that investment choices are appropriate for long-term investing, and that plans offer a high level of customer service. After reviewing the services offered by multiple providers, the committee determined that one retirement recordkeeper offered improved services for participants—including a single logon, consolidated statements, and an enhanced website.

**What do I need to do?**

The new investment menu offers you three strategies to invest for retirement: One-Step Investing, Mix Your Own, and Self-Directed Brokerage Account. Read more about each option on page 2. Once you’ve decided which strategy is right for you, follow the directions listed under that strategy.

**What if I don’t do anything?**

If you don’t take any action, your current balance(s) and future contributions will automatically be directed to the age-appropriate Vanguard Target Retirement Fund based on your date of birth. Target date funds, also known as lifecycle funds, are designed based on an investor’s age or target retirement date. The mix of investments changes over time to become less focused on growth and more focused on income as the investor nears retirement.

**Key dates**

- April 1–30: Window for employees to enroll for a one-time, in-kind mutual fund unit transfer into the Self-Directed Brokerage Account.
- April 1 to June 7: Window for employees to select their investments for future contributions and existing balances.
- June 7–29: The blackout period is expected to start at the close of business June 7 and is expected to end on or before June 29.
- June 15: Existing balances are transferred. Only new investment options are now available.

**Need help understanding the plan changes or want guidance on making the right investment decisions?**

- Talk to a representative or set up an individual counseling session by calling (800) 410-6497 between 8 a.m. and 6 p.m. Monday to Friday (hours are extended to 8 p.m. through June); an automated line, (800) 842-2252, is also open 24 hours a day.
- Visit www.tiaa-cref.org/Rochester for plan details and to view an interactive presentation about the program changes.
- Attend an upcoming information session or visit one of several help desks set up around the University (details listed on page 3).
Which investment strategy is right for you?

Strategy 1: One-Step Investing (Target Date Funds)

You can choose a target date fund offering a diversified retirement portfolio in a single fund. Target date funds offer a convenient way to have your retirement savings professionally managed, broadly diversified, and automatically rebalanced. With a target date fund, you only need to select the fund closest to the year of your expected retirement, and the fund’s managers do the rest. Each target date fund consists of underlying mutual funds that invest in a broad range of stocks and bonds. Over time, the fund automatically readjusts the mix of investments to reduce the level of risk as you move through your career and into retirement.

Best for: Investors who want to leave investment allocation decisions to professional fund managers.

Alex: One-Step Investing

When it comes to investing for retirement, Alex likes to keep things simple. ‘It’s not an easy investor and doesn’t have time to choose and manage a lot of funds.

So, a target date fund appeals to him. That’s because a target date control to match her needs, while keeping retirement investing easy.

Offer the option for income in retirement.

When she retires, she will invest in some of the annuity accounts, which

ments among the passively and actively managed mutual funds and

be with a target date fund. As a result, she’ll create her own mix of invest

Strategy 2: Mix Your Own

You can create your portfolio by choosing from the new plan’s investment options. These investment choices cover the major asset classes—equities, fixed income, guaranteed, and money market—providing building blocks for a diversified retirement portfolio. You also have access to “active” managers selecting underlying investments with the goal of outperforming the general market and/or a market index, and “passive” funds (managers attempt to mirror the performance of a specific market index, such as the S&P 500 Index). Passive funds generally have lower operating costs than active funds due to less active trading.

Best for: Investors who believe the funds on the new menu offer good long-term growth opportunities and want to choose their own investments.

Jennifer: Mix Your Own—Select Choose

It seems to be more involved in this investing strategy than she would be with a target date fund. As a result, she’ll research her own mix of invest

ments among the passively and actively managed mutual funds and

annuity accounts on the menu—both the Tier 3 funds (see the new investment menu below) when she retires, she will invest in some of the annuity accounts, which

offer the option for income in retirement.

Strategy 2 offers these investment options to her. By going with select mutual funds and annuity accounts, Jen has some control and she thinks it is a good use of her time, while keeping retirement investing easy.

Strategy 3: Self-Directed Brokerage Account (SDBA)

Available from TIAA-CREF Brokerage Services, the SDBA lets you invest among thousands of mutual funds from hundreds of fund families not available on the new menu, including mutual funds from Fidelity, T. Rowe Price, and Vanguard. And you can give your greater flexibility to diversify your mutual portfolio.

Best for: Investors who want to assume responsibility for selecting investments from among a large range of choices and closely monitoring their portfolio.

Elena: Self-Directed Brokerage Account:

When it comes to retirement investments, Elena wants plenty of choices. That’s why she’s considering Strategy 3 and putting her savings into the self-directed brokerage account.

Best for: Investors who want to leave investment allocation decisions to professional fund managers.

What happens if I do nothing?

If you don’t take any action, your existing balances in the mutual fund accounts and future contributions will be automatically directed to the age-appropriate Vanguard Target Retirement Fund based on your date of birth. You can change your investment allocation instructions for future contributions at any time after the blackout period ends. (During the transition to one recordkeeper, plans will undergo a blackout period, which is expected to start at the close of business on June 3 and end by or before June 29.) Additionally, you may transfer investment balances or a portion of your balances among the plan’s investment options whenever you wish to subject transfer to restrictions that may exist under TIAA-CREF annuity contracts. If you have a new plan account with TIAA-CREF and do not designate a beneficiary, your beneficiary designation will default to “Estate.”

How to elect your investments and designate a beneficiary

You can call (800) 410-6497 (Monday to Friday, 8 a.m. to 6 p.m., extended hours to 9 p.m., through June) or set up your account online at www.tiaa-cref.org/Rochester.

Register first

If you are not currently registered for online access with TIAA-CREF, you need to register first. Visit www.tiaa-cref.org/Rochester, select Register, and follow the directions to create your new user ID and pass

word. You will need your social security number, date of birth, and TIAA-CREF account/contract number.

The number appears on your quarterly statement from TIAA-CREF and in the enrollment confirmation statement that you should have received from TIAA-CREF.

Online instructions

Step 1: Set Up Investment Allocation Instructions and Beneficiary Designation

Go to www.tiaa-cref.org/Rochester, click Log In (located in the upper right-hand corner)

• Enter your user ID and password

• Select actions drop-down menu (for each con

tract/account you want to update)

• Select “change investment of future contributions” and enter your investment allocation instructions

Designate a beneficiary: Beneficiary designations from Fidelity, T. Rowe Price, and Vanguard will not be transferred to TIAA-CREF. If you have a new

plan account with TIAA-CREF, you will need to select your beneficiary designation. It is important to review and, if necessary, update your beneficiary designation.

• Choose “By Profile,” and then “Beneficiaries.” You will need your beneficiary’s Social Security number (optional), date of birth, and address.

Upcoming informational sessions

How to elect your investments and designate a beneficiary

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plan account with TIAA-CREF, you will need to select your beneficiary designation. It is important to review and, if necessary, update your beneficiary designation.

• Choose “By Profile,” and then “Beneficiaries.” You will need your beneficiary’s Social Security number (optional), date of birth, and address.
FAQ: Retirement plan changes

**Do I have to switch to TIAA-CREF?**
Yes. All participants need to switch to TIAA-CREF, the new plan recordkeeper. However, you can select your investments from a wide variety of financial companies.

**Will this change alter the amount of contributions going into my account?**
No. Your voluntary allocation will remain the same unless you elect to change it. The University contribution formula also will remain the same.

**Are there fewer investment options in the new plans?**
There are fewer options under one-step investing and mix-your-own strategies and more options available under Self-Directed Brokerage Accounts.

**Do the plan changes affect me if I’m retired or terminated with a balance in the plans?**
Yes. Your voluntary allocation will remain the same unless you elect to change it.

**What happens to my existing balances and future contributions?**
If no instructions are made, your existing balances and future contributions will be defaulted to the appropriate Vanguard Target Retirement Fund based on your date of birth. If you wish to keep your current investment funds, you may do so with a Self-Directed Brokerage Account for most investment options.

**Can I invest in Fidelity, T. Rowe Price, or Vanguard mutual funds?**
Yes. To do so, you will need to open a Self-Directed Brokerage Account (SDBA). Through the SDBA option, you can invest in most of the funds from these providers or from thousands of other funds from some of the nation’s leading fund families. By opening your account between April 1 and April 30, TIAA-CREF will take this as your instruction to perform an in-kind mutual fund unit transfer of funds. A full list of funds available for one-time, in-kind transfer is available at www.tiaa-cref.org/Rochester.

**Do I need to open a new account if I have a TIAA-CREF account?**
No. You can invest in the new investment options without setting up a new account. You can also transfer your current investments to any of the new choices at www.tiaa-cref.org/Rochester or by calling (800) 410-6497.

**Are there expenses associated with opening an SDBA?**
To establish a Self-Directed Brokerage Account, you must make a minimum investment of $1,000. Because a brokerage account is not appropriate for all investors, speak with a TIAA-CREF consultant to learn more about this type of account and if it’s right for your investment needs. See the Self-Directed Brokerage Guide at www.tiaa-cref.org/Rochester for detailed information on minimums, fees, and expenses.

**Are you interested in keeping your current mutual funds, you can enroll in the new investment options, based on your investment allocation instructions. If no instructions are made, your existing balances and future contributions will be redirected to the new investment options, based on your investment allocation instructions. If no instructions are made, your existing balances and future contributions will be defaulted to the age-appropriate Vanguard Target Retirement Fund. Your existing balances in the restricted annuity accounts will remain in these accounts.

**What happens to my existing balances and future contributions?**
If you’re interested in keeping your current mutual funds, you can enroll in the new investment options, based on your investment allocation instructions. If no instructions are made, your existing balances and future contributions will be defaulted to the age-appropriate Vanguard Target Retirement Fund. Your existing balances in the restricted annuity accounts will remain in these accounts.

**Are loans still available under the plans?**
Yes. You will receive a separate mailing about how to set up your recurring payments through Fidelity, T. Rowe Price, or Vanguard. What happens to my existing balances and future contributions? Yes. In addition, if you are receiving recurring payments through Fidelity, T. Rowe Price, or Vanguard, you must complete the necessary paperwork with TIAA-CREF to re-initiate receiving your payments. You will receive a separate mailing about how to set up your payments. For additional information, call (800) 410-6497, Monday through Friday, 8 a.m. to 6 p.m. (extended hours to 8 p.m. through June).

**Do I need to update my investment allocation instructions using the new menu regardless of which investments you are currently invested in?**
Yes. To do so, you will need to open a Self-Directed Brokerage Account (SDBA). Through the SDBA option, you can invest in most of the funds from these providers or from thousands of other funds from some of the nation’s leading fund families. By opening your account between April 1 and April 30, TIAA-CREF will take this as your instruction to perform an in-kind mutual fund unit transfer of funds. A full list of funds available for one-time, in-kind transfer is available at www.tiaa-cref.org/Rochester.

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