

# WELLESLEY COLLEGE

September 2011

Dear Colleague :

We are writing to share with you the changes being made to the Wellesley College Retirement Plan Investment Menu, effective December 1, 2011.

Following a comprehensive review of the College's current plan by the recently formed Retirement Plans Investment Committee, which includes members of Wellesley's Investment Office, we are streamlining and improving the quality of the plan's investment options. These changes to the Investment Menu will benefit plan participants while also enabling Wellesley College to more effectively comply with the new 403(b) plan regulations and our fiduciary responsibilities.

The upcoming changes have been reviewed by the President's Cabinet, the Faculty Benefits Committee, and the Compensation and Personnel Policy Advisory Committee (CPPAC).

## **What Is Staying The Same:**

Although we are introducing new investment options, the design of the Retirement Plan will not change. Contribution rates, eligibility requirements, and all other aspects of the plan's design will remain the same. ***You are not required to take any action as a result of the new Investment Menu.*** However, this is an opportunity to re-evaluate your retirement strategy.

## **What to Expect:**

### ***We are introducing a new Investment Menu***

The new Investment Menu reflects a more focused set of "best-in-class" funds with a broad range of investment choices. We have also included a self-directed Mutual Fund Brokerage Account for those who wish to invest in funds that are not on the new menu. ***Please note:*** Contributions previously made to funds no longer included on the Investment Menu will be directed to a default lifecycle fund option unless noted otherwise.

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***We are consolidating to one Retirement Plan Vendor, TIAA-CREF***

TIAA-CREF will provide all retirement services for the plan. This means that Fidelity Investments® and Calvert will no longer be active providers for the plan. Plan participants may transfer balances held at Fidelity or Calvert to TIAA-CREF or they may maintain accounts at these institutions, although no new contributions will be directed to these accounts after December 1, 2011. We have included a self-directed Mutual Fund Brokerage Account for those individuals who wish to invest actively on their own in Fidelity and Calvert Mutual Funds that are not on the new menu. Please note that contributions made through the Mutual Fund Brokerage Account must be directed to funds currently accepting new assets from investors.

TIAA-CREF now offers the ability to invest with companies not available in the past such as Vanguard, Templeton, and Oakmark. The move to a single vendor is important because it saves on fees charged to the retirement accounts, and it allows for a more streamlined review of fund and vendor performance. Each year the Retirement Plan vendor and funds will be reviewed by our Retirement Plans Investment Committee to ensure they are providing the appropriate level of service and achieving desired investment goals.

***You will continue to have objective investment advice from TIAA-CREF***

TIAA-CREF's advice and planning services continue to be available at no charge to all Retirement Plan participants. Your TIAA-CREF consultant will create an Investment Plan tailored to your unique financial situation. Your consultant will determine whether or not you are on track for reaching your retirement goals and which asset allocation mix and investment strategy make the most sense for you.

***The Wellesley College Retirement Plan Contribution***

The College contribution to your Retirement Plan is not changing. You will still have the same contribution formula that has been in place. For example, an employee earning \$65,000 per year receives the following contribution from the College:

- 9% College Contribution on \$53,400 of earnings = \$4,806 per year
- 12% College Contribution on \$11,600 of earnings = \$1,392 per year
- Total College Contribution = \$6,198 per year

***Your Voluntary Contribution: Action Strongly Recommended***

Our records indicate you are not currently making *voluntary* contributions to the Retirement Plan. If you enroll, money you contribute from your pay is deducted before taxes. You have the added advantage of deferring taxes until you withdraw the money in retirement. This money is portable—you take it with you when you leave the College. When you contribute 3%, the College contributes an additional 1% to your Retirement Plan. For example, an employee who earns \$65,000 per year receives the following additional contribution from the College:

- 3% Employee Contribution = \$1,950 per year
- 1% College Contribution = \$650 per year
- Total Contribution = \$2,600 per year

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*You can always contribute less than 3% and still receive the additional respective College match. Saving more now will increase your income in retirement. TIAA-CREF makes it easy to get started. See the enclosed information to schedule a Counseling Session with enrollment assistance.*

#### **How To Learn More:**

**In early October, you will receive a detailed Transition Guide on the upcoming changes. Also, please plan to attend an on-campus event for each of the following steps in our Retirement Planning Series. See the enclosed schedule for details.**

Learn	the Basics of Saving and Investing for Retirement
Prepare	for the new Investment Menu
Engage	and commit to your Financial Future

Retirement planning is more important than ever before and yet we know it can feel daunting at times. Wellesley College and TIAA-CREF are committed to providing the resources you need to plan for the future you deserve.

Sincerely,



Eloise See McGaw  
Assistant Vice President and Director of  
Human Resources & Equal Opportunity



Marymichele Delaney  
Associate Director & Benefits Manager  
Human Resources

#### **Here To Help:**

If you have any questions, please call TIAA-CREF at **800 842-2888** Monday through Friday from 8 a.m. to 10 p.m. and Saturday from 9 a.m. to 6 p.m. (ET).

**Information is available on the college's Human Resources website, <http://web.wellesley.edu/web/Dept/HR>. You can also visit the retirement plan website, [www.tiaa-cref.org/wellesleycollege](http://www.tiaa-cref.org/wellesleycollege). In addition, you may also send an email to TIAA-CREF through your Secure Account Access:**

1. Visit the retirement plan website at [www.tiaa-cref.org/wellesleycollege](http://www.tiaa-cref.org/wellesleycollege) and click **LOG IN**.
2. Click on the **MY MESSAGES** tab at the top of your screen.
3. Once your message has been sent, you will receive a response within 48 hours. You will receive an email notification when a response has been posted to your online account.