New Year Brings New Opportunities

Effective January 1, 2012, there will be some changes to the University of La Verne’s retirement plans. Please click the links to find out:

- **What Will Happen**
- **Why We’re Making a Change**
- **What You Need to Do**

If you have questions, you may:

- Click on [FAQs](#)
- Contact Jackie Yulo, Benefits Manager, at ext.4074 or [jyulo@laverne.edu](mailto:jyulo@laverne.edu)
- Log on to the TIAA-CREF web site at [www.tiaa-cref.org](http://www.tiaa-cref.org) or call TIAA-CREF at (800) 842-2273.
What Will Happen

As of December 31, 2011:
- Your current voluntary contributions under the Tax-Deferred Annuity (TDA) will be frozen. You will no longer be able to contribute to this plan.
- Instead, your voluntary contributions will be made to the Defined Contribution (DC) (5% employee/10% employer) plan starting January 1, 2012.
- You can leave your current voluntary contribution balances under the TDA plan, where they will continue to change with investment gains and losses, or you can transfer your voluntary contribution balances under the TDA into the DC plan with TIAA-CREF. Voluntary contribution balances transferred from the TDA into the DC plan will now be subject to the Employee Retirement Income Security Act of 1974 (ERISA).

Starting January 1, 2012:
- Your mandatory 5% contribution amount and the University’s 10% matching contribution amount to the DC plan will not change.
- Your voluntary pre-tax contributions will now be made to the DC plan, and no longer contributed to the TDA.
- You can designate the TIAA-CREF investment options you want to use for your mandatory and voluntary contributions and the University’s 10% matching contribution.
Why We’re Making a Change

The Retirement Committee conducted a thorough review and analysis of the University’s retirement plans. As a result, the Committee determined that:

- It will be more efficient to have one plan for both mandatory and voluntary contributions and to keep TIAA-CREF as an administrator (but also add Fidelity as a second administrator later in 2012)
- TIAA-CREF offers diversified investment options with solid performance and provides a high level of service for both you and the University
- Fidelity also offers additional high-quality investment options and services for the University’s retirement plans. Fidelity will be rolled out as a second retirement plan administrator later in 2012

TIAA-CREF will administer the retirement plans effective January 1, 2012.
- When Fidelity is added, you’ll receive additional information about their services and investment options
- The Committee will continue to regularly review the University’s DC plan and may make changes it decides are necessary and prudent
What You Need to Do

- Because you participate in retirement plans administered by TIAA-CREF, you don't need to do anything.
- Starting January 1, 2012, your
  - Mandatory contributions and the University 10% matching contribution will continue to be contributed to the DC plan and to the same investments funds within that plan.
  - Voluntary contributions will be automatically directed to the DC plan at your current voluntary contribution level and to your current investment funds.
  - Current voluntary contribution balances under your TDA will remain with the TDA unless you decide to transfer the balance to the DC plan.

Although you aren't required to take action, if you want, you may:
- At any time:
  - Change the amount of your voluntary contributions
  - Change the investment options in which your voluntary and mandatory contributions and the University 10% matching contribution are invested
- After January 1, 2012:
  - Transfer your frozen voluntary contribution balances under the TDA into the DC plan
    - New plan provisions go into effect for the DC plan. Any frozen voluntary contribution balances under the TDA will be under the current TDA plan and contract provisions as long as the funds remain with the TDA.
  - Withdraw funds from your TDA for hardships and loans, or take a distribution after your termination of employment with the University, as described in the current plan and contract provisions.
  - Visit www.tiaa-cref.org to manage your retirement funds
Frequently Asked Questions

1. **What will be changing on January 1, 2012?**
   MetLife and Legend will no longer be administrators of the University of La Verne’s retirement plans. Additionally, current voluntary contributions under the Tax-Deferred Annuities Plans (TDAs) will be frozen as of December 31, 2011 and no further contributions can be made to them. As of January 1, 2012, all mandatory and voluntary contributions and University 10% matching contributions will be made to the Defined Contribution (DC) (5% employee/10% employer) plan with TIAA-CREF.

2. **How will this change impact me?**
   Because your current TDA is administered by TIAA-CREF, the change will have little impact on you. The only difference will be that your voluntary contributions will now be directed to the DC plan, rather than a separate plan under the TDA. Unless you make a change, the amount of your voluntary contributions and the options in which they are invested will remain the same as they are now.

3. **Why is the University making this change?**
   As the result of a comprehensive plan review, the Retirement Committee determined that it will be more efficient to incorporate voluntary and mandatory contributions into one plan and to streamline the number of plan administrators.

4. **Why did the University decide to have TIAA-CREF as the only plan administrator?**
   Part of the Retirement Committee’s review included an assessment of plan administrators for the retirement plan. The results of the review showed that TIAA-CREF offers one of the better retirement plan options for you and the University going forward. However, TIAA-CREF will not be the only plan administrator in 2012. We plan to add Fidelity as another plan administrator sometime in 2012.
5. **What will happen to my current TDA balances?**
   Your current voluntary contribution balance under TDA will be frozen as of December 31, 2011. You may leave the money in your TDA, where it will continue to participate in the TDA’s gains and losses. Or, if you prefer, you may transfer your frozen voluntary contribution balances under the TDA into the DC plan. The balances transferred from the TDA into the DC plan will now be subject to Employee Retirement Income Security Act of 1974 (ERISA) which establishes minimum requirements and protections for your funds. Contact TIAA-CREF at www.tiaa-cref.org for more information about ERISA and your funds.

6. **Are there any changes to the retirement plan’s provisions?**
   Most of the provisions are remaining the same, however there are some differences. An amendment to the retirement plan describing the specific changes will be provided in early January 2012. Please note, your frozen voluntary contribution balances under the TDA will remain under the current TDA plan provisions as long as the balances remain with the TDA.

7. **Do I have to continue making voluntary contributions?**
   You aren’t required to make voluntary contributions. However, voluntary contributions, and the tax-deferred earnings they generate, may add significantly to your total account balance available at retirement.

8. **Will there be additional changes to the mandatory plan in the future?**
   The Retirement Committee, as fiduciary of the University of La Verne Deferred Compensation Plan, monitors the performance of the plan, its operations, vendors and administrators and its investment options. The Retirement Committee may decide at any time that a change in one or more areas would be prudent. Because financial markets and performance change over time, it is likely that plan changes will be made from time to time.

9. **What are the investment options with TIAA-CREF?**
   To review the full line up of investment options through TIAA-CREF, please visit their website at [www.tiaa-cref.org](http://www.tiaa-cref.org).
10. Where can I go for more information?
   Contact Jackie Yulo, Benefits Manager, at ext.4074 or jyulo@laverne.edu. You may update your investment allocations by clicking the links below:

   - [Enrollment Information](#)
   - [Enrollment Form](#)
   - [Your Investment Choices](#)
   - [Transfer, Rollover or Exchange Form](#)
   - [Important Notice Regarding Direct Transfer](#)

You can also log on to the TIAA-CREF web site at [www.tiaa-cref.org](http://www.tiaa-cref.org) or call TIAA-CREF at (800) 842-2273.