

Skidmore College Retirement Plan Investment Fund Changes

FREQUENTLY ASKED QUESTIONS

What is changing and when?

On September 30, 2015, the following important changes to the investment funds offered under the Skidmore College Retirement Plan will take effect:

- The funds offered by TIAA-CREF and Vanguard will be consolidated down to a core lineup of funds;
- Three new investment options will be added under the TIAA-CREF investment menu to ensure you will have adequate opportunity to diversify the investment of your account under the Plan, and
- TIAA-CREF and Vanguard will add a new self-directed brokerage option allowing you access to a wide range of mutual funds from well-known fund companies.

If you are currently invested in a TIAA-CREF or Vanguard fund that will no longer be offered, the value of your account and any future contributions to that fund will be transferred automatically—that is, “mapped”—to a similar investment option, if available, or to the age-appropriate Target Date Fund offered under the Plan. (See page 2 for information about Target Date Funds.)

We urge you to review these materials and your current investments, but unless you wish to change, no action is required on your part at this time.

Why is the change happening?

Today, there are over 100 core investment options offered under the Skidmore College Retirement Plan. Offering so many options generally makes it very difficult for participants to understand all of the investment objectives and risks associated with each fund and to make well-informed investment elections.

Current retirement plan industry research and best practices indicate that participants have a better understanding of the investment options offered by a retirement plan—and make better investment decisions—when there are a relatively limited number of core investment options. Many colleges and universities have already reduced the number of funds available under their retirement plans in the last few years. The Plan’s Investment Manager, Segal Rogerscasey, has recommended these changes.

Who decided on the investment funds that should be dropped from and added to the Plan?

After a thorough review of the investments offered by TIAA-CREF and Vanguard, the Plan’s Investment Manager made a formal recommendation to add and drop certain investment funds available under the Plan. The Investment Manager also serves as a fiduciary in this capacity for the Plan. A fiduciary is a person or entity that gives investment advice in the best interests of Plan participants for compensation.

Will it still be possible to invest in the funds that will no longer be offered under the Plan?

Yes. Although certain investment funds will not be offered under the core investment lineup of funds as of September 30, you can invest in these and many other mutual funds¹ offered by TIAA-CREF, Vanguard, and other well-known mutual fund companies, through a self-directed brokerage account.

What is a self-directed brokerage account and what investment options are available from TIAA-CREF and Vanguard through this investment opportunity?

A self-directed brokerage account provides you with the opportunity to invest in a broad array (literally, thousands) of mutual funds that are not offered under the Plan’s core investment options provided by TIAA-CREF and Vanguard. The mutual funds offered through this account will not be monitored by the Plan’s Investment Manager. You should consider using a self-directed brokerage account only if you have a strong understanding of investment markets and the risks associated with various kinds of investments. For more information about the self-directed brokerage accounts offered by TIAA-CREF and Vanguard, please contact each company directly:

- **TIAA-CREF:** 1-800-927-3059, or go online to tiaa-cref.org/skidmore
- **Vanguard:** 800-523-1188, or go online to vanguard.com/retirementplans

¹ From time-to-time, mutual fund companies may close certain funds to new investors. Contact TIAA-CREF and Vanguard to learn more about the funds available under the self-directed brokerage account.

What is a Target Date Fund?

A Target Date Fund is a diversified mutual fund that shifts towards a more conservative mix of investments automatically as a particular year approaches. (For example, a 2025 Target Date Fund will shift its investments towards a more conservative mix automatically as 2025 gets nearer and nearer.) The target date typically coincides with the date a participant would reach retirement—normally at age 65. The managers of the fund make all decisions about asset allocation, diversification, and rebalancing of the fund's investments.

Why will some funds be mapped to a similar investment option and others will be mapped to a Target Date Fund?

The fund mapping strategy was provided by the Plan's Investment Manager. Whenever possible, discontinued funds will be mapped to similar investment options within the existing core lineup. Since TIAA-CREF does not offer a Mid Cap Core option, the Clearbridge Mid Cap Core fund was selected as the best fund for this asset class. This is the only new fund that will receive any "mapped" assets.

For Vanguard, there are a number of funds in the existing lineup that are not similar enough to the options available under the core lineup to allow for mapping. In these cases, the funds will be transferred automatically to the age-appropriate Target Date Fund offered under the Plan. The U.S. Department of Labor allows plans to map investments in this manner for plan participants. Target Date Funds are the default investment option for the College's Plan.

Are additional changes to the investments under the Skidmore College Retirement Plan anticipated?

At this time, no additional changes are anticipated. However, the Plan's Investment Manager will continue to monitor the core investment lineup based on the Investment Policy Statement and will make changes as necessary to ensure all investment options available are in full compliance with that Policy. If additional changes will be made, you will be provided with ample advance notice.

What do I need to do now?

No action is required on your part. If you are currently invested in a TIAA-CREF or Vanguard fund that will not be offered starting September 30, the value of your account in that fund will be transferred automatically—that is, "mapped"—to a similar investment option, if available, or to the age-appropriate Target Date Fund offered under the Plan. If you would like to invest your retirement account in a way that is different than the mapping provides, you may reallocate your investments at any time to one or more of the investment funds provided by the Plan. This includes investments offered through the new self-directed brokerage account described above. You may contact TIAA-CREF or Vanguard at:

- **TIAA-CREF:** 1-800-842-2252, or online at tiaa-cref.org/skidmore
- **Vanguard:** 1-800 523-1188, or online at vanguard.com/retirementplans

How can I learn more about the Plan's core investment options and the new self-directed brokerage account?

The College is offering several on-campus meetings where you can learn about the Plan's core investment options, the new self-directed brokerage account, and speak with a representative from TIAA-CREF and Vanguard. The dates and locations are as follows:

- **September 10 and September 11**
A representative from TIAA-CREF will be available to meet on campus in the Scribner Library, Room 403, from 9:00 a.m. to 4:00 p.m. To make an appointment, please call 1-800-732-8353.
- **September 25 and September 28**
A representative from Vanguard will be available to meet on campus in the Scribner Library, Room 318 from 8:30 a.m. to 4:30 p.m. You can sign up online at www.meetvanguard.com
- **September 15 and September 17 (TIAA-CREF) September 28 (Vanguard)**
Have a quick question? Representatives from TIAA-CREF and Vanguard will be available at an Information Table from 11:30 a.m. – 1:30 p.m. in the Case Center, outside the Skid Shop to answer questions about the new investment lineup.

This FAQ document was developed by Skidmore College and Segal Rogerscasey. Skidmore College requested that TIAA-CREF deliver it to you.