Changes coming soon to your Harvard University retirement programs

Dear Colleague:

We are writing to let you know of several important changes coming to the Harvard retirement programs this fall. In some cases the changes reflect changes in the federal regulations governing certain investments, while in other cases the changes represent best practices and additional savings opportunities. We hope you will take the time to review the materials here as well as additional communications about these changes later this month.

**Plans Affected**

Please note that when we refer to the Harvard retirement programs the following plans are included:

- Retirement Income Plan for Teaching Faculty of Harvard University
- Harvard University Defined Contribution Retirement Plan
- Harvard University Retirement Plan
- Harvard University Tax-Deferred Annuity Plan
- Harvard University 457(b) Deferred Compensation Plan for Certain Faculty and Staff

**Vanguard Fund Changes and New Account Fee**

Beginning October 3, 2016, Vanguard will replace the funds available to participants with new lower-cost funds and will institute a quarterly fee for each account. These changes were based on a review of best practices for retirement plans and recommendations by the Harvard University Investment Committee. You may read more about these changes in the enclosed brochure from Vanguard.

**Money Market Fund Changes**

In response to new federal regulations governing money market investment options, Harvard University’s three retirement investment companies – Fidelity Investments, TIAA, and Vanguard – have made changes to the money market funds available to faculty and staff. Each investment company has provided information, which is enclosed, to explain how these changes may impact their investment offerings.

**New Roth Option for TDA**

The Harvard University Tax-Deferred Annuity Plan (TDA) will be adding an after-tax Roth contribution option for active employees, effective January 1, 2017. Harvard University will provide detailed information about the Roth feature later this month and will offer two live webinars in December where you can learn more. You can enroll in this new option beginning in December for contributions effective January 1.

If you have questions about the fund changes, the enclosed notices or the Roth option, please contact your investment company or the Harvard University Retirement Center at 800-527-1398. Consultants are available to help you from Monday to Friday, 8 a.m. to 5 p.m. (ET).

Sincerely,

Harvard University Benefits Office