2020 Changes to the Harvard University Retirement Programs:
Frequently Asked Questions

Announcement Letter Mailing

1. What are the changes to the Retirement Programs?

Harvard is moving to a single platform for retirement plan administration and recordkeeping:

- **TIAA will be the sole recordkeeper and will manage the single platform for all Harvard retirement plans investment accounts.** This includes investment accounts in the following plans: Faculty and Staff Retirement Programs, the Tax-Deferred Annuity (TDA) Plan, and the 457(b) Deferred Compensation Plan.

- **There will be a new, simplified investment lineup.** The investment choices will include a number of the currently available mutual funds and annuities, along with new options that have been selected for the Harvard plans. These investment selections, provided by Vanguard and TIAA, as well as a TIPS fund from Schwab, will allow you to create an investment strategy that aligns with your investment preferences and financial goals. The Vanguard target-date funds will remain as the default investment for the plans. The updated investment lineup transition is described in the Transition Guide that will be mailed to your home on February 18, 2020 (change to link to guide after this date).

- **Fidelity funds will no longer be included in the investment lineup.** Investments currently with Fidelity will transition to the new funds in the lineup. Participants can select Fidelity funds through a TIAA Brokerage account if they wish.

- **A self-directed brokerage option will be available through TIAA.** There will be a transition plan and additional communications for those who currently have a brokerage account with Vanguard or Fidelity. These communications will be mailed to homes on February 21.

2. When is this happening?

The changes will begin on April 3, 2020, and are expected to be complete by April 24, 2020. Faculty and staff do not need to take any action during the transition in order for their accounts to move to TIAA as recordkeeper. The transition is described in detail in the Transition Guide that will be mailed to your home on February 18, 2020.

3. Why are these changes being made?

The decision was made after the Harvard Defined Contribution and Defined Benefit Investment Committee (composed of Harvard faculty, Human Resources, and finance leaders) conducted a request for proposal (RFP) and extensive review of the University’s Retirement Programs. The changes are part of the University’s ongoing commitment to offer retirement programs that help participants plan for and build long-term financial security. The committee regularly evaluates
and periodically updates the retirement plans with new investment options, innovative services, and more efficient ways to save and invest.

**The changes offer important benefits for plan participants**
- Easier to invest, manage, and track Harvard accounts through a single recordkeeper.
- Single quarterly statement that shows all of a participant’s Harvard retirement plan investments and account activity.
- One website where participants can manage beneficiary designations, account information, and Harvard retirement plan investments.
- One participant services phone number for plan inquiries and assistance.
- TIAA advisors who help select retirement plan investment options *at no additional cost*.
- Easy access to the entire investment lineup, as well as other plan information and features, like plan highlights, quarterly statements, loans, online tools, and resources through one recordkeeper.

4. **Who is affected by the change? Which retirement plans are affected?**
   
   Current and former faculty and staff (and their beneficiaries) with balances in the following plans:
   - Retirement Income Plan for Teaching Faculty of Harvard University
   - Harvard University 2001 Staff Retirement Program
   - Harvard University 1995 Retirement Program
   - Harvard University Tax-Deferred Annuity Plan
   - Harvard University 457(b) Deferred Compensation Plan for Certain Faculty and Staff.

5. **What’s not changing?**

   - **Harvard’s retirement plan contributions are not changing.** Harvard will continue to provide a fully employer-paid retirement program to benefits-eligible faculty and staff.
     - Harvard continues to contribute an amount equal to 5% - 10% (for faculty and staff, under age 40) and 10% - 15% (for those age 40 and over) of eligible compensation to the defined contribution retirement accounts for benefits-eligible employees.
     - Harvard continues to contribute 3.5% of eligible compensation to an investment account (along with a basic account contribution) in the 1995 Retirement Plan in effect for employees in certain service and trade unions.
     - There are no changes to the plan vesting period (the time at which employees own (or become “vested” in) the employer contribution).

   - **The default fund will remain unchanged—the Vanguard target-date fund closest to the year a participant turns age 65.** Participants invested only in the default fund will retain the same Vanguard target-date fund, but with TIAA as recordkeeper.

   - **The TDA plan (with both traditional and Roth options) will remain available** to eligible employees who want to make voluntary contributions and accumulate additional retirement savings. Roth is only available to certain eligible employees. No change to TDA auto-enrollment with auto-escalation for those enrolled with those features.
• **The 457(b) plan** will also be available to eligible employees who want to make additional voluntary contributions from their pay.

6. **Do participants need to take any action during the transition?**

   No action is required now and, in most cases, you will not need to take any action during the transition. Participants with brokerage account balances will have new brokerage accounts created on their behalf on the TIAA platform. Detailed information will be in the Transition Guide mailed to your home on February 18.

7. **What happens if participants receive regular payments or have outstanding loans?**

   There will be no interruption in distribution payments. Participants who currently invest with TIAA will continue to receive payments from their TIAA accounts. Participants who currently invest with Fidelity or Vanguard will receive distributions from their new TIAA accounts. If any action regarding distribution payments, loans or direct deposit information is needed, affected participants will be sent a letter with more information in March.

   Unless notified, participants should continue making any existing loan payments as they have been.

8. **What are the new fees for the Faculty and Staff Retirement Plans, TDA Plan and 457(b) Plan?**

   With the change to TIAA as sole recordkeeper for the Harvard Retirement Programs, the University has reduced overall retirement plan management costs, as well as plan fees for most participants. A complete list of fees by plan and investment option will be in the Transition Guide.

9. **How can participants access their current retirement plan accounts and plan information?**

   **Online:** Visit [hr.harvard.edu](http://hr.harvard.edu) and choose “Retirement” near the bottom of the page. Participants can select “Harvard University Retirement Center (HURC)” and log in to view their retirement plan account information. You can also visit your service provider’s website to access your accounts.

   **Phone:** Call the Harvard Retirement Center at **800-527-1398**. Consultants are available to help weekdays, 8 a.m. to 5 p.m. (ET).
10. Where can participants get more information and assistance?

In addition to the Transition Guide that will be mailed to homes in mid-February, the Benefits office will host several informational meetings and online webinars to assist participants with questions.

TIAA can assist participants with the selection of specific investment options from Harvard’s plan lineup (fund-level advice). Participants can meet one-on-one with a TIAA advisor, and there is no fee for this service.

TIAA maintains a local office at 97 Mount Auburn St. and also offers one-on-one meetings at various sites on campus. Participants can schedule a consultation by going online to TIAA.org/schedulenow or by calling 866-843-5640, weekdays, 9 a.m. to 5 p.m. (ET).