

Bennington College

403(b) Retirement Savings Plan

Faculty and Staff Information Session

Background to the Retirement Plan Changes



- In recent years, Federal regulation over retirement plans has evolved and imposed a higher level of responsibility on 403(b) plans (like Bennington College's).
- Sponsors of 403(b) plans are subject to fiduciary responsibilities as guided by sections of The Employee Retirement Income Security Act of 1974 ("ERISA").
- The primary changes that Institutions should adhere to include taking on fiduciary responsibility for:
 - Selecting and monitoring plan investments;
 - Assessing and monitoring the reasonableness of retirement plan fees;
 - Distributing annual fee disclosure notices to participants;
 - Providing an annual plan audit by a CPA.

Steps Taken to Comply with Regulations



- Bennington College established the Retirement Plan Committee which was charged with fulfilling the College's responsibilities relating to the Retirement Plan.
- The Committee retained Fiduciary Investment Advisors, LLC (FIA), a third party independent retirement plan consultant, to help the Committee assess the status of the current retirement plan and assist with changes.
- The Committee conducted a rigorous review of the 403(b) retirement plan and developed a strengthened and streamlined lineup of investment options.
- Investment options in the plan will continue to be monitored by the Committee with the assistance of FIA.
- Education and Communication to Participants will be closely monitored.

Description of The Review Process



- FIA conducted an extensive review of the 403(b) Plan, evaluating TIAA on multiple factors which included, but were not limited to:
 - **Investment menu design**
 - Benchmarking
 - Asset class review
 - Industry best practices
 - Behavioral Finance
 - **Investment performance**
 - FIA Manager due diligence process
 - **Investment, plan and related fees**
 - Full fee disclosure analysis and benchmarking
 - Vendor fees
 - **Platform capabilities**
 - Technology
 - Flexibility
 - **Service model**
 - Participant (web/onsite/call center)
 - Plan Sponsor (assistance in complying with new regulations)
 - **Overall competitiveness**
 - Ability to meet the needs of the plan participants and beneficiaries
- At the conclusion of the initial review process, FIA presented the Retirement Plan Committee with written recommendations for plan enhancements.

Overview of Plan Changes

Current

- TIAA currently serves as the record-keeper of the plan:
 - Offering of investment options:
 - 22 annuities
 - 0 mutual fund options
 - 1 suite of target date funds
- Investment alternatives:
 - Proprietary to the record-keeper with minimal usage of outside managers
- Participants have the ability to invest in:
 - TIAA Traditional, with its guaranteed rate of return and income in retirement
 - CREF Stock, a competitive & popular option that provides broad equity market exposures
- Investments and other fees are competitive when compared to peers and industry benchmarks.



New

- TIAA will remain the record-keeper of the plan.
 - 16 total investment options:
 - 5 annuities
 - 10 mutual funds
 - 1 suite of target date funds
- Investment alternatives:
 - Diversified investment options from a broad selection of mutual fund managers
- Participants will continue to have the ability to invest in:
 - TIAA Traditional, CREF Social Choice & CREF Stock, three popular options among Bennington College participants, as well as a few additional annuity options
- Investments and other fees will continue to be competitive, and may be lower over time.

Example of Impact of Fees on Account Balance



The following table depicts the returns on \$10,000 initial investment, assuming an annual gain of 10%, with different expense ratios (0.5%, 1%, 1.5%, 2% and 2.5%):

Year	Annual Gain 10%	Expense Ratio				
		0.50%	1.00%	1.50%	2.00%	2.50%
0	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
1	\$11,000	\$10,950	\$10,900	\$10,850	\$10,800	\$10,750
5	\$16,105	\$15,742	\$15,386	\$15,037	\$14,693	\$14,356
10	\$25,937	\$24,782	\$23,674	\$22,610	\$21,589	\$20,610
15	\$41,772	\$39,013	\$36,425	\$33,997	\$31,722	\$29,589
20	\$67,275	\$61,416	\$56,044	\$51,120	\$46,610	\$42,479
25	\$108,347	\$96,684	\$86,231	\$76,868	\$68,485	\$60,983
30	\$174,494	\$152,203	\$132,677	\$115,583	\$100,627	\$87,550
35	\$281,024	\$239,604	\$204,140	\$173,796	\$147,853	\$125,689
40	\$452,593	\$377,194	\$314,094	\$261,330	\$217,245	\$180,442

Bennington College's Current Investment Lineup



← Money Mkt / SV Fixed Income Balanced			Domestic Equity			Intl /Global	Other →
TIAA Traditional RA, GRA, SRA, & GSRA CREF Money Market R2	CREF Bond Market R2 CREF Inflation-Linked Bond R2 TIAA Access Bond Plus T4	CREF Social Choice R2 TIAA Access Lifecycle T4 Funds*	<u>Large Value</u> TIAA Access Large Cap Value T4	<u>Large Blend</u> TIAA Access Social Choice Equity T4 TIAA Access Growth & Income T4 TIAA Access Equity Index T4 CREF Equity Index R2 CREF Stock R2	<u>Large Growth</u> CREF Growth R2 TIAA Access Large Cap Growth T4	CREF Global Equities R2 TIAA Access Intl Equity T4	TIAA Real Estate TIAA Access Real Estate Secs T4
			<u>Mid Value</u> TIAA Access Mid-Cap Value T4	<u>Mid Blend</u>	<u>Mid Growth</u> TIAA Access Mid Cap Growth T4		
			<u>Small Value</u>	<u>Small Blend</u> TIAA Access Small Cap Blend Index T4 TIAA Access Small Cap Equity T4	<u>Small Growth</u>		

Bennington College's New Investment Lineup (as of 7/1/2016)



Lower risk/Lower potential return

Higher risk/Higher potential return

← Lower risk/Lower potential return			Higher risk/Higher potential return →				
Money Mkt / SV	Fixed Income	Balanced	Domestic Equity			Intl /Global	Other
TIAA Traditional RC/RCP	Met West Total Return Bond Plan	CREF Social Choice R2	<u>Large Value</u> MFS Value R5	<u>Large Blend</u> CREF Stock R2 Vanguard 500 Index Adm.	<u>Large Growth</u> T. Rowe Price Blue Chip Growth	American Funds EuroPacific Growth R6	TIAA Real Estate
TIAA Stable Value	Vanguard Total Bond Market Index Adm.	TIAA-CREF Lifecycle Inst. Retirement Funds*	<u>SMID Value</u> Diamond Hill Small-Mid Cap Y	<u>SMID Blend</u> Vanguard Extended Market Index Adm.	<u>SMID Growth</u> Eaton Vance Atlanta Capital SMID-Cap R6	Vanguard Total Intl Stock Index Adm.	

*Indicates the current Qualified Default Investment Alternative (QDIA)

Green: Annuity Investments
Blue: Mutual Fund Investments

Retirement Funds

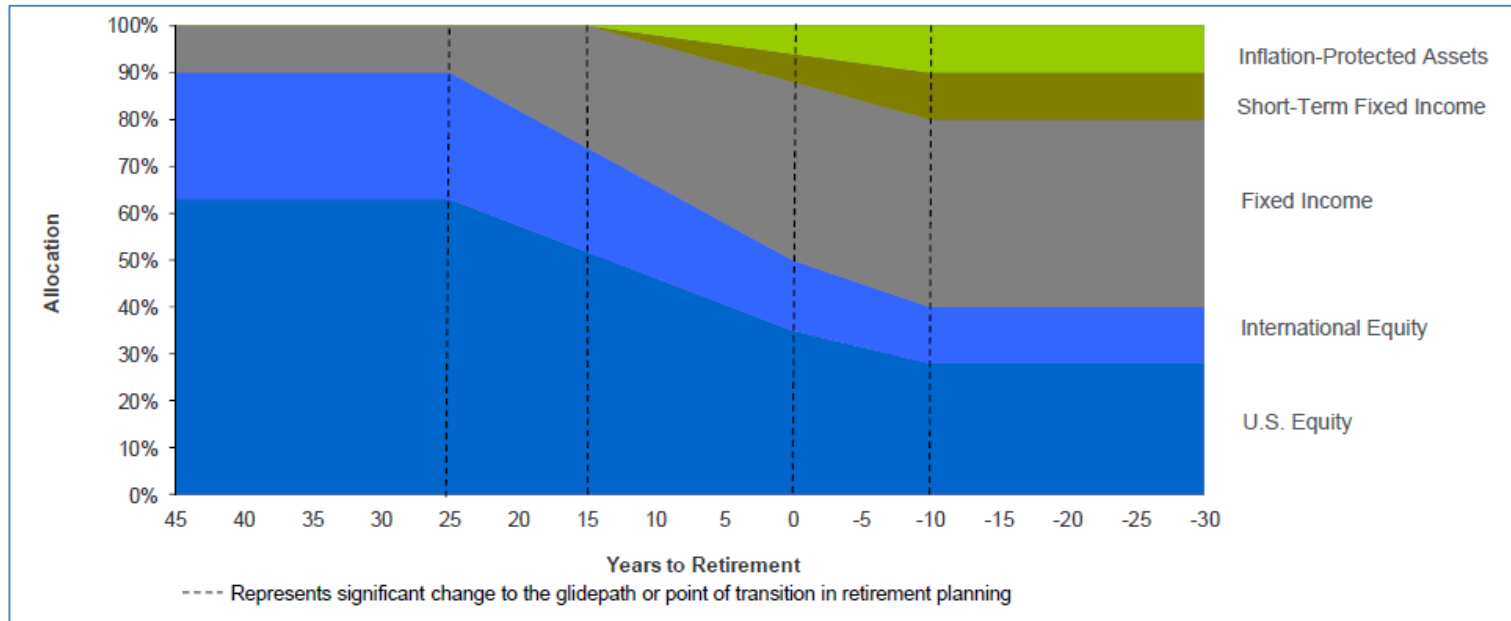
Higher Risk



Lower Risk

<u>Target Date Suite</u>	<u>Birth Year</u>
TIAA-CREF Lifecycle Retirement 2060	After 1993
TIAA-CREF Lifecycle Retirement 2055	1988 – 1992
TIAA-CREF Lifecycle Retirement 2050	1983 – 1987
TIAA-CREF Lifecycle Retirement 2045	1978 – 1982
TIAA-CREF Lifecycle Retirement 2040	1973 – 1977
TIAA-CREF Lifecycle Retirement 2035	1968 – 1972
TIAA-CREF Lifecycle Retirement 2030	1963 – 1967
TIAA-CREF Lifecycle Retirement 2025	1958 – 1962
TIAA-CREF Lifecycle Retirement 2020	1953 – 1957
TIAA-CREF Lifecycle Retirement 2015	1948 – 1952
TIAA-CREF Lifecycle Retirement 2010	Prior to 1947

TIAA-CREF Lifecycle Retirement Funds



Underlying Funds

Bond	Bond Plus	High-Yield	Short-Term Bond	Inflation-Linked Bond
Growth & Income	Large-Cap Growth	Enhanced Large-Cap Growth Index	Large-Cap Value	Enhanced Large-Cap Value Index
Mid-Cap Growth	Mid-Cap Value	Small-Cap Equity	International Equity	Enhanced International Equity Index
International Opportunities	Emerging Markets Equity	Global Natural Recourses		

Key Dates



Key Dates	
April 18th April 19th and May 5th	On-Site Transition Seminars
May 9th	Plan Enhancement Communication Sent
June 10th	Microsite Available with new Investments
Week of June 13th	You will be enrolled and receive a comprehensive transition guide (welcome package) with important information on making the most of your participation with TIAA.
July 1st	Updates Take Effect, first payroll contribution deposited into RC Contract.
July and September	TIAA Counselors will be on site for 1:1 counseling and education

Changes you need to consider



Future contributions



New Investments

If you take no action = contributions will be directed into an age appropriate Lifecycle Fund

Current investment balances



New Investments

You can move existing balances to your new investments
If you take no action = assets will remain in “old”/former investments

Next steps/Rollout of new investment plan

During the week of June 13th , you will receive a welcome package from TIAA with details about the upcoming change.

The package will include the following important information:

- Key dates to remember
- Description of the plan changes and how you will be affected
- Instructions on how you can select a new allocation and new investments
- Tools you can use and where to go for additional information

The new investment lineup will “go live” with the July 1st contribution.

As a plan participant, you control your investment selection in the new platform and can make changes at any time to your account.

- If you choose to do nothing to your investments by the “go live” date:
- Your future contributions will be directed into an age appropriate Lifecycle fund.
- Your current assets will remain in “old”/former investments

A range of asset classes lets you diversify.



For your specific investment options go to: www.tiaa.org/Bennington

* Website will not be “live” until June 13th.

Investing involves risk of loss of principal.

Options offered in the “guaranteed” asset class are subject to the claims-paying ability of the issuing company.

New investment menu: Guaranteed, Fixed-Income and Multi-Asset options



Guaranteed	Ticker Symbol
TIAA Traditional Annuity	Guaranteed Annuity
Money Market	Ticker Symbol
TIAA Stable Value	Guaranteed Annuity
Fixed Income	Ticker Symbol
Metropolitan West Total Return Bond	MWTSX
Vanguard Total Bond Market Index Adm	VBTLX
Multi-Asset	Ticker Symbol
CREF Social Choice R2	QCSCPX
TIAA-CREF Lifecycle 2010 Institutional	TCTIX
TIAA-CREF Lifecycle 2015 Institutional	TCNIX
TIAA-CREF Lifecycle 2020 Institutional	TCWIX
TIAA-CREF Lifecycle 2025 Institutional	TCYIX
TIAA-CREF Lifecycle 2030 Institutional	TCRIX
TIAA-CREF Lifecycle 2035 Institutional	TCIIX
TIAA-CREF Lifecycle 2040 Institutional	TCOIX
TIAA-CREF Lifecycle 2045 Institutional	TTFIX
TIAA-CREF Lifecycle 2050 Institutional	TFTIX
TIAA-CREF Lifecycle 2055 Institutional	TTRIX
TIAA-CREF Lifecycle 2060 Institutional	TLXNX
TIAA-CREF Lifecycle Retire Inc Institutional	TLRIX

New investment menu: Real Estate and Equity options



Real Estate	Ticker Symbol
TIAA-Real Estate	QREARX
Equities	Ticker Symbol
Vanguard Total Intl Stock Index Admiral	VTIAX
Vanguard Extended Market Idx Adm	VEXAX
Vanguard 500 Index Admiral	VFIAX
T. Rowe Price Blue Chip Growth	TRBCX
MFS Value R5	MEIKX
Eaton Vance Atlanta Capital SMID-Cap R6	ERASX
Diamond Hill Small-Mid Cap Y	DHMYX
CREF Stock Account R2 (Variable Annuity)	QCSTPX
American Funds Europacific Growth R6	RERGX

TIAA Traditional Annuity Retirement Annuity vs. Retirement Choice



Current Retirement Annuity contract

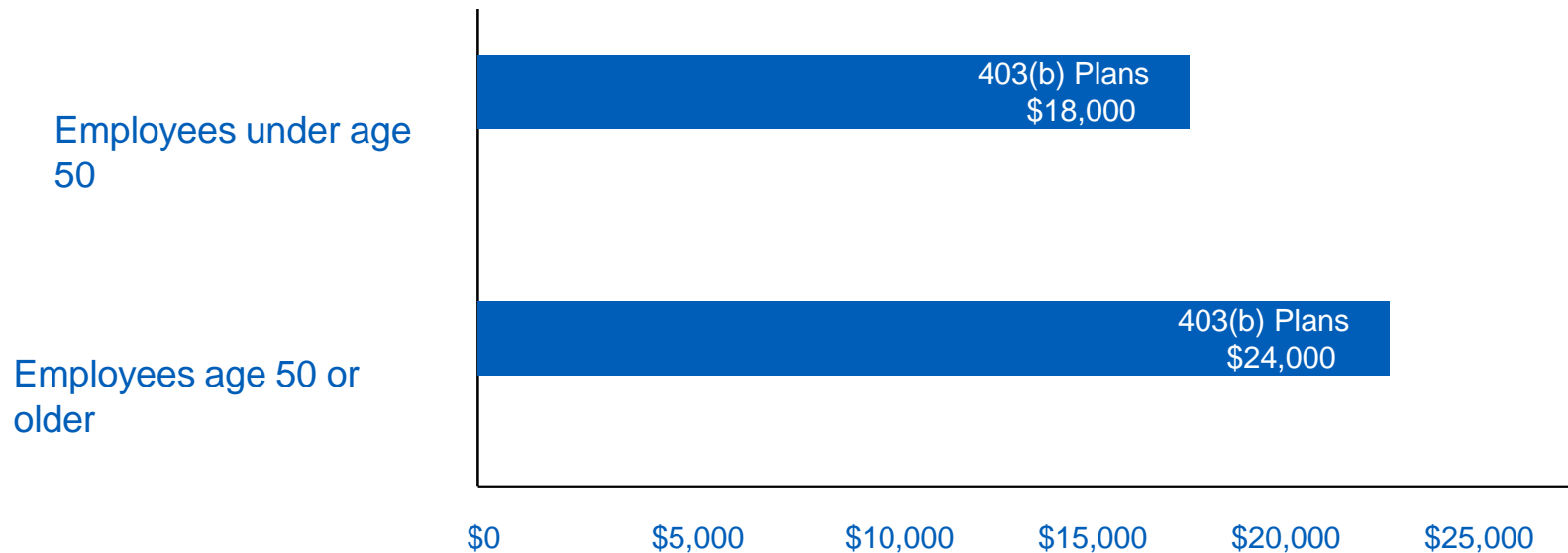
- No lump-sum withdrawal option
- Withdraw or transfer funds in 10 annual installments
- Guarantees your principal and a 3% minimum annual interest rate*

New Retirement Choice Annuity contract

- Lump-sum withdrawal option within 120 days of retirement (2.5% fee)
- Withdraw or transfer funds in monthly payments over 84 months (7 years)
- Guarantees your principal and a minimum interest rate between 1% and 3%*

* All guarantees are subject to TIAA's claims-paying ability.

2016 limits for salary deferral retirement plans



This transition is a good time to take a fresh look at your account.

- Are you saving enough?
- How should you invest?
- How do you meet your retirement income needs?

What Should You Do Now?



- Review your Quarterly Statement(s)
- Update your beneficiary information
- Review the Participant Communications and recent e-mail from HR/Retirement Plan Committee;
- Evaluate your current investment portfolio & make changes to contributions and/or balances if desired. You can make changes into the new investments once they are made available (late June) or at anytime thereafter;
- Consider making a one-on-one appointment with a TIAA advisor to discuss your investment options in more detail.

Important Contact Information



Dedicated retirement plan **website**: www.tiaa.org/Bennington. For online investment advice, select the *Advice & Guidance* tab.



General Questions | Call TIAA at 800 842-2252. Consultants are available Monday through Friday, 8 a.m. to 10 p.m. and Saturday, 9 a.m. to 6 p.m. (ET).



One-on-One Appointment | Call TIAA at 800-732-8353 or visit www.tiaa-cref.org/schedulenow to consider making a one-on-one appointment with a TIAA advisor to discuss your investment options in more detail - available Monday through Friday, 8 a.m. to 8 p.m. (ET)



Other Questions? Contact benefits@bennington.edu