



GRAND VALLEY STATE UNIVERSITY
403(B)/ 457(B) PLANS
Investment Fund Enhancements

BACKGROUND

- Overview of the work the GVSU Retirement Plan Investment Committee has been doing to bring our GVSU 403(b) and 457(b) Retirement Plans (the “Plans”) into **compliance with current IRS and DOL regulations.**

BACKGROUND

- These important enhancements to the investments offered by our Plans are the result of the work of the committee which consists of; **Yatin Bhagwat, Gregg Dimkoff, Brian Copeland, Pamela Brenzing, Brian Van Doeselaar, Dave Smith and our consultant Aon Investment Consulting.**

BACKGROUND

As part of the plan oversight process, we embarked on an effort to **strengthen the investment structure and quality of our Plans**. The Committee set the following goals:

- Identify a diversified fund line-up of best-in-class investment options (Core Fund Menus)
- Ensure that all fees are transparent, appropriate, and competitive with industry averages
- Ensure that the Plans comply with applicable laws and regulations, including fiduciary best practices

BACKGROUND

The enhancements to the Plans investments will:

- Help us establish a **sound foundation** for compliance
- **Reduce** overall fund expenses
- Introduce **new investment** options
- **Streamline** the overall menu of choices into Core Fund Menus
- Make the **Plans easier to use** to help improve our plan participants ability to appropriately save for retirement

WHAT IS CHANGING?

- There will be a **change in share class** for certain funds offered by the current approved investment providers, Fidelity Investments and TIAA-CREF
- This change will mean reduced investment costs resulting in **higher investment returns**

WHAT IS CHANGING?

- A number of **new mutual funds** from outside investment firms will be added and be eligible for ongoing contributions and transfers (**Core Fund Menus**)
- Some current **funds will be frozen** to new deposits
- Retain Fidelity Investments and TIAA-CREF as providers – **eliminate New England/MetLife** Fund option

WHAT IS CHANGING?

- **Self-directed mutual fund windows** will be added to each provider program
- Allows you to select from the **broad array of funds available** within the Fidelity Investments and/or TIAA-CREF networks, as appropriate to your choice of provider(s)

PLAN PROGRAM OVERVIEW

Vendor	Fidelity Investments	TIAA-CREF	New England Financial
CURRENT PROGRAM			
Types of Investments	Mutual Funds	Mutual Funds & Individual Annuities (Fixed)	Annuities
Current Fund Count	159 + Target Date Funds (TDF)	14 (Non-Fixed) + Target Date Funds (TDF)	N/A
Assets	\$62M	\$230M	N/A
Accounts Maintained	1,163	2,918	N/A
NEW CORE MENU STRUCTURE			
Core Menu Funds	21 + TDF	22 (Non-Fixed) + TDF	
Changes	<ul style="list-style-type: none"> •Freeze 151 Fidelity options •Retain 10 Fidelity options •Add 11 Outside-managed options 	<ul style="list-style-type: none"> •Freeze 2 (Non-Fixed) TIAA-CREF options •Retain 12 TIAA-CREF (Non-Fixed) options •Add 10 Outside-managed options 	

NEW CORE LINE UP FOR FIDELITY INVESTMENTS

GVSU - Mapping Target - Fidelity Menu		
Asset Class	Ticker	Fund Name
Money Market	FDRXX	Fidelity Cash Reserve
Core Fixed Income - Outside Mgr	PTTRX	PIMCO Total Return
Short Term Bond	FSBIX	Fidelity Spartan ST Bond Indx Inv
Intermediate Term Bond	FBIDX	Fidelity US Bd Index
High Yield	FAGIX	Fidelity Capital & Income
Target Date Funds		Fidelity Freedom Income thru 2050
Large Value - Outside Mgr	TILCX	T. Rowe Price Inst Large Cap Value
Socially-Responsible - Outside Mgr	NBSLX	NB Socially-Responsible
Large Core	FUSEX	Fidelity Spartan 500 Index
Large Growth	FCNTX	Fidelity Contrafund
Large Growth	FDGRX	Fidelity Growth Company
Mid Value - Outside Mgr	AVUAX	Amer Cent Mid Cap Value Inst
Mid Core	FLPSX	Fidelity Low Pr Stk
Mid Core	FSEVX	Fidelity Spartan Extended Mkt Index
Mid Growth - Outside Mgr	TMDIX	Timesquare MCG
Small Value - Outside Mgr	WFSVX	Wells Fargo Advantage SCV
Small Core	FSCRX	Fidelity Sm Cap Discovery
Small Growth - Outside Mgr	TGSCX	TCW Small Cap Growth
Global AA - Outside Mgr	PAAIX	PIMCO All Asset Inst
Global AA - Outside Mgr	MALOX	BlackRock Global Allocation Inst
International Value - Outside Mgr	DODFX	Dodge & Cox International
International Growth - Outside Mgr	RERFX	American Funds EuroPacific Gr R5

NEW CORE LINE UP FOR TIAA-CREF

GVSU - Mapping Target - TIAA-CREF Menu		
Asset Class	Ticker	Fund Name
GIC	NA	TIAA Traditional GSRA
Money Market	NA	CREF Money Market
Core Fixed Income - Outside Mgr	PTTRX	PIMCO Total Return
Core Fixed Income	NA	CREF Bond Market
TIPS	TIKRX	CREF Inflation-Linked Bond
Balanced/Asset Allocation	TCLEX	TC Lifecycle Premier Income thru 2050
Large Value - Outside Mgr	TILCX	T. Rowe Price Inst Large Cap Value
Large Value	TRCVX	TIAA-CREF Lg-Cap Val Idx-Rtmt
Socially-Responsible	TISCX	CREF Social Choice
Large Core	TIEIX	CREF Equity Index
Large Core	NA	CREF Stock
Large Growth	NA	CREF Growth
Mid Value - Outside Mgr	AVUAX	Amer Cent Mid Cap Value Inst
Mid Growth - Outside Mgr	TMDIX	Timesquare MCG
Small Value - Outside Mgr	WFSVX	Wells Fargo Advantage SCV
Small Core	TRBIX	TIAA-CREF Sm-Cap BI Idx-Rtmt
Small Growth - Outside Mgr	TGSCX	TCW Small Cap Growth
Global AA - Outside Mgr	PAAIX	PIMCO All Asset Inst
Global AA - Outside Mgr	MALOX	BlackRock Global Allocation Inst
International Value - Outside Mgr	DODFX	Dodge & Cox International
Global Core	NA	CREF Global Equities
International Core	TRIEX	TIAA-CREF Intl Eq Idx-Rtmt
International Growth - Outside Mgr	RERFX	American Funds EuroPacific Gr R5
Real Estate	NA	TIAA Real Estate

WHEN IS THIS HAPPENING?

GVSU provides internal communication to all employees of changes to the programs	December 2011
Vendors mail notices to participants	Early January 2012
'Go Live' date for New Core Fund Line ups	February 1, 2012
Freeze funds and redirect contributions to new funds	March 1, 2012

AS A PARTICIPANT, WHAT DO YOU NEED TO DO?

- If you do nothing, your current **fund balances will remain where they are**
- The affected funds will be identified in **communications** you will receive directly from Fidelity Investments and TIAA-CREF, as appropriate for their choice of provider(s)
- The fund share class changes **will happen automatically**
 - If you hold any of the affected options, your shares will be converted to the new lower cost share class

AS A PARTICIPANT, WHAT DO YOU NEED TO DO?

- If you have an investment election on file with a fund that **will be closed** to future contributions
 - beginning in **March 1, 2012** you will need to either make a new fund election with Fidelity Investments or TIAA-CREF, or
 - your old election will be **automatically mapped** to the new replacement fund for that fund choice starting with the first payroll after March 1, 2012

CONTRIBUTION MAPPING FOR FIDELITY INVESTMENTS

Old Investment Options		New and Existing Investment Options
Fidelity [®] 130/30 Large Cap Fund	⇒	Spartan [®] 500 Index Fund - Advantage Class
Fidelity Asset Manager [®] 20%	⇒	Fidelity Freedom Fund [®] By Age*
Fidelity Asset Manager [®] 30%	⇒	Fidelity Freedom Fund [®] By Age*
Fidelity Asset Manager [®] 40%	⇒	Fidelity Freedom Fund [®] By Age*
Fidelity Asset Manager [®] 50%	⇒	Fidelity Freedom Fund [®] By Age*
Fidelity Asset Manager [®] 60%	⇒	Fidelity Freedom Fund [®] By Age*
Fidelity Asset Manager [®] 70%	⇒	Fidelity Freedom Fund [®] By Age*
Fidelity Asset Manager [®] 85%	⇒	Fidelity Freedom Fund [®] By Age*
Fidelity [®] Balanced Fund	⇒	PIMCO All Asset Fund Institutional Class
Fidelity [®] Blue Chip Growth Fund	⇒	Fidelity [®] Growth Company Fund
Fidelity [®] Blue Chip Value Fund	⇒	T. Rowe Price Institutional Large Cap Value Fund
Fidelity [®] Canada Fund ¹	⇒	American Funds EuroPacific Growth Fund Class R5
Fidelity [®] Capital Appreciation Fund	⇒	Fidelity [®] Growth Company Fund

CONTRIBUTION MAPPING FOR TIAA-CREF

Funds closing as of <i>March 1, 2012</i>			
Restricted Fund	Restricted Fund Ticker Symbol	Replacement Fund	Replacement Fund Ticker Symbol
TIAA-CREF Mid-Cap Growth Fund - Retirement	TRGMX	Managers AMG TimesSquare Mid Cap Growth Fund Institutional Class	TMDIX
TIAA-CREF Mid-Cap Value Fund - Retirement	TRVRX	American Century Mid Cap Value Inst	AVUAX

SELF DIRECTED BROKERAGE ACCOUNT

- Fidelity BrokerageLink®
- TIAA-CREF Self-Directed Brokerage Services Account
- Expanded investment choices to buy and sell from
- Additional fees may apply to a brokerage account

SELF DIRECTED BROKERAGE ACCOUNT

- If you are an investor who is willing to take on **additional risk** and you are prepared to assume the responsibility of more closely monitoring the mutual funds in this portion of your portfolio, it could be appropriate for you.
- Remember, it is always **your responsibility** to ensure that the options you select are consistent with your particular situation, including your goals, investment time horizon, and risk tolerance.

NEXT UP ON THE COMMITTEE'S AGENDA

- Report card on the core funds for the plan participants
- Participant education and investment advice

CONTACT INFORMATION AND QUESTIONS

- Fidelity NetBenefits® at www.fidelity.com/atwork or at 1-800-343-0860
- TIAA - CREF at www.tiaa-cref.org/gvsu, or at 1-800-842-2252.