You Must Take Action to Direct Future Investments in your JHU Retirement Account

September 2015

Dear Colleague:

This fall, during our traditional benefits Annual Enrollment period for health and life plans, we are rolling out updates to our 403(b) retirement plan providers and investment options, as well as introducing an online enrollment portal to help make retirement planning easier to manage.

The changes to our providers and investment options are in response to federal regulations governing 403(b) plans. These regulations prompted JHU to assess its current retirement plan providers — American Century, Fidelity, TIAA-CREF, VALIC and Vanguard — and to evaluate investment performance and costs.

As detailed below in What You Need to Do, each employee enrolled in the 403(b) must log in and make an active election once the Retirement Choice period opens beginning October 14. If you do not, future elections will be automatically directed to the Vanguard Target Retirement Fund and invested in a manner that is designed to manage risk based upon your age and target retirement date.

What You Need to Do

Our benefits Annual Enrollment period this year is from October 14 through November 11. In addition to making your health and welfare elections this year, you will make retirement contribution and fund decisions about how you want your 403(b) plan money invested beginning January 1, 2016. You will do this by logging in to the new Retirement Choice online portal.

If you do not log in to the Retirement Choice online portal and make an active election between October 14 and November 11, your future retirement contributions from January 1, 2016, onwards will be automatically directed to the appropriate Vanguard Target Retirement Fund based on your age. This fund is part of the JHU Select Funds (described below).

What Is Changing

We are required by federal regulations to offer our employees a group of retirement funds that we monitor in an ongoing way, and for which we have determined that the performance and cost are reasonable. We have now identified such funds, which we call JHU Select Funds. We are not necessarily advising you to invest in these funds in preference to others of your choosing, but the JHU Select Funds are the only funds that will be monitored, in partnership with our investment advisor, Aon Hewitt Retirement and Investment. The first thing you will see after the Welcome Page when you log in to the online portal is the JHU Select Funds Consent. You will need to read and accept the Consent, acknowledging that the JHU Select Funds are monitored for performance and cost while the other investment options are not.

(Over, please)
Below is a summary of what is changing for 2016:

• We are launching a new Retirement Choice online portal for managing all of your JHU retirement plan investments.
  - Enroll, change your contribution amount, and select investment providers within the new portal.
  - View all of your JHU plan balances in one place regardless of your investment options.
  - TIAA-CREF will serve as the host of the online portal.

• We are introducing the JHU Select Funds.
  - A diversified group of funds has been selected based on performance and cost.
  - Fund performance is being monitored by JHU in partnership with investment advisor Aon Hewitt Retirement and Investment.

• We are eliminating American Century and VALIC as investment providers.
  - You may no longer invest directly with American Century and VALIC starting in 2016 (for future contributions).
  - Existing balances may remain with American Century and VALIC.
  - Current investors must make new choices for contributions beginning January 1, 2016, or all future contributions will be automatically directed to the Vanguard Target Retirement Fund.

• We are introducing Brokerage Services.
  - You will have access to thousands of mutual funds, including American Century.

What is Staying the Same?
Although much is changing in the way in which you access your 403(b) plan and plan investments, the basic plan design of our 403(b) plans is not changing. Eligibility, vesting and employer contributions all remain the same as they are today. Additionally, there are no changes to the Support Staff Pension Plan.

We are also retaining Fidelity, TIAA-CREF and Vanguard as investment providers. These providers currently hold 92% of the university’s 403(b) retirement plan assets. Current investors who use these three providers can keep their current investment choices or make new investment choices beginning January 1, 2016.

A Reminder of What You Need to Do
Remember, you must log in to the Retirement Choice portal and make an active election between October 14 and November 11 via the myChoices tab on the Benefits website to avoid future retirement contributions being invested in a Vanguard Target Retirement Fund based on your age.

Resources Available
A wealth of resources will be available to ensure you have the information you need to make good benefit decisions, and more information will be forthcoming about benefits Annual Enrollment:

• Soon you will receive by mail a Retirement Choice Decision Guide, which will include step-by-step instructions for making your fall decisions.
• The myChoices tab at benefits.jhu.edu offers guides, Frequently Asked Questions, a recorded FastFacts and access to other resources.
• Join us at the Benefits Fairs on October 8 at Homewood and October 6 in East Baltimore, where you can visit with our vendors and learn more of the health and life changes to our plans for 2016.
• Additionally, join us at Retirement Fairs on October 22 at Homewood and October 27 in East Baltimore to learn more about the retirement plan changes, the new online portal and talk with our financial vendors.
• Attend a Town Hall beginning in September. The schedule is posted on the Benefits website.

We are looking forward to sharing more with you about these changes. If you have questions, please call the Benefits Service Center at 410 516-2000, Monday – Friday, 8:30 a.m. – 5 p.m. (ET) or email retirementchoice@jhu.edu.

Sincerely,

Charlene Moore Hayes
Vice President for Human Resources