



A New Approach to Investing in Your Retirement Plan

As indicated in President Fry's previous communication emailed on April 7, 2011, Drexel University and Drexel University College of Medicine will be making changes to our retirement savings plans (the "Plans"). These changes are required to allow us to continue complying with the various regulations that govern these plans. While we needed to make changes, we also saw this as an opportunity to update and enhance our programs to meet the needs of faculty and professional staff in the future.

Changes to the retirement program will affect the investments offered and the fee structure. They *do not* affect the amount of contribution you receive, the TIAA-CREF annuities, or the three providers we use: Fidelity, TIAA-CREF, and Vanguard.

For a closer look at the new investment structure, please [View the Interactive Presentation](#) on the Retirement Enhancements webpage.

The New Investment Structure - To view the funds available under the new structure for all three retirement plan vendors, see the "New Investment Structure" document under Quick Links on the [Retirement Enhancements webpage](#).

Beginning May 2, 2011, the Plan will offer you four different paths to allocate your Plan investments.

Path	Consider this if:	Investments Offered:
Target Retirement Date Funds	<ul style="list-style-type: none"> You want simplicity, convenience and an investment professional to pick your investment mix 	Each fund is a mix of investment types, picked by investment professionals for a specific retirement date. You simply choose the fund based on the year that most closely matches your expected retirement date.
Core Mutual Funds	<ul style="list-style-type: none"> You like to manage your own retirement savings and prefer a limited set of preselected investment choices 	A selection of mutual funds that provide a range of types of investments. With these funds, you can build and manage your own investment portfolio based on your time horizon and your comfort with risk.
Annuities	<ul style="list-style-type: none"> You want to build lifetime income and want investments that directly support this goal 	Ten annuity-based investment products that offer participants the opportunity to select investments that are paid out over their lifetime. (Only through TIAA-CREF)
Self-Directed Brokerage Window	<ul style="list-style-type: none"> You have a strong knowledge of investments and like to select, manage and monitor your own investments 	A new opportunity to choose from a broad range of mutual funds through a brokerage account within the Plans. Access to over 100 mutual fund families with over 1,000 mutual funds as potential investment options. (There may be fees)

Transitioning to the New Program

- Beginning May 2, 2011, all three vendors will have the new fund lineups running on their system platforms. Many of the current mutual funds offered will be closed and not available under the new investment structure unless purchased through the new brokerage window option.
- Faculty and professional staff will have a **Special Election Period (May 2 through June 2, 2011)** during which you can direct how you want your current balances and future contributions invested under the new plan structure.

3. **If the funds you are invested in are remaining in the plan you do not need to take any action.**
4. If you do not make an election during the Special Election Period, balances in funds that are closing and future contributions directed to those funds will automatically move to an age-appropriate Target Retirement Date Fund for the appropriate vendor. Target Retirement Date Funds let you invest in a single option that offers you the advantages of pre-mixed, professionally managed, inexpensive funds with built-in diversification.
5. If you do not want your balances in discontinued funds moved to the most age-appropriate Target Retirement Date fund, you must move your balances by **June 2, 2011**. ***You may also change your asset allocation or future contribution elections at any time after the transition to the new fund lineup.***
6. To move your assets to the new funds:
 - Look for specific instructions from your retirement plan vendor to be sent to you at home
 - Plan on attending a Group Meeting for the retirement plan vendor you're investing with. The "Group Meeting Schedule" is available under Quick Links on the [Retirement Enhancements webpage](#)
 - Make sure you know how to access your account(s) online.
 - For an individual counseling session with a non-commissioned representative of your retirement plan vendor, please see the "Individual Counseling Schedule" under Quick Links on the [Retirement Enhancements webpage](#) for instructions to schedule a meeting.

Here are some key dates to keep in mind:

April 19 - 29	Group information meetings on all three campuses, hosted by retirement plan vendors
May 2, 2011	The Special Election Period opens. You will be able to choose which of the new investment options you want to use for your retirement savings portfolio. You will have the opportunity to meet with representatives from our providers to learn more and discuss your situation.
June 2, 2011	The Special Election Period ends.
June 3, 2011	If you do not make an election during the Special Election Period, assets held in funds that are not continuing under the new lineup will be closed and transferred to an age-appropriate Target Retirement Date Fund. The transfer will occur on June 3, 2011 for TIAA-CREF and Vanguard. To avoid short-term redemption fees, Fidelity accounts will transfer on September 6, 2011. At any time after the transfer you may move assets into any of the new fund options.

Your accounts and assets will stay with the current provider unless you choose to move your money to another vendor. We encourage you to take time during this transition period to determine the investment path that makes the most sense for your retirement savings.

More Information Available

Please go to the [Retirement Enhancements webpage](#) for additional information, including an interactive presentation and a schedule of vendor-specific on-site presentations in April where you will have a chance to talk to representatives from our three providers to help you understand your choices. In addition, each vendor will be available for individual counseling sessions beginning in May.

Sincerely,

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