

Amended November 28, 2011

The eighth meeting of the Committee of Six for the academic year 2011-2012 was called to order by President Martin in her office at 3:30 P.M. on Monday, November 7, 2011. Present were Professors Basu, Ferguson, Hewitt, Loinaz, Ratner, and Umphrey, Dean Call, President Martin, and Assistant Dean Tobin, Recorder.

The meeting began with President Martin offering high praise for the ways in which the Amherst community had responded to the rare October snowstorm that had caused power outages and damage to trees on campus. The Committee and the Dean joined the President in expressing appreciation to the Dining Services and Facilities staffs, in particular, for their extraordinary dedication and hard work during this emergency. It was noted that the staff's efforts to offer meals at Valentine to members of the community, many of whom were without power at home, made a tremendous difference to many families. The President also commented on how much she had enjoyed the events of the Family Weekend, which had been held over the past weekend.

Continuing with her remarks, the President informed the members that the Senior Staff of the College had just returned from a successful planning retreat. She said that she would share details with the members about the approaches to long-range planning that had been discussed during the retreat, and that she would seek feedback from the Committee as the planning process is developed. The members then turned briefly to a personnel matter.

Under "Announcements from the Dean," Dean Call informed the members that the Committee on Educational Policy (CEP) had discussed the Committee's proposal that the Committee of Six no longer review proposals for new courses and had agreed that this layer of review is not needed. In future, course proposals will continue to be reviewed by departments and the CEP, before being forwarded to the full Faculty for approval.

Noting that meetings are being scheduled on campus with Barbara Brittingham, Director of the New England Association of Schools and Colleges (NEASC) Commission on Institutions of Higher Education (CIHE), and Patricia O'Brien, Deputy Director of the Commission, on December 1, the Dean asked if members of the Committee would be able to join members of the CEP for one of the meetings. Professors Basu, Hewitt, and Loinaz agreed to participate, and the Dean thanked them for their willingness to do so.

Conversation turned to the [College Council's recommendation regarding the Amherst College calendar](#) for the Fall semesters of 2012-13, 2013-14, 2014-15, and 2015-16. The calendars for the Spring semesters of these years were approved by the Faculty in the spring of last year, the Dean noted. Much of the Committee's discussion focused on the proposed calendar for 2015-2016, which would have a shortened fall break (three days rather than the typical four) because of the late start to the year that would occur because Labor Day would fall on September 7, which is as late as it possibly can. Professor Ratner asked if there is any precedent for shortening fall break, under this circumstance. The Dean responded that this pattern (a late start to the academic year because of the timing of Labor Day) last occurred in 2009-2010. The fall break was also shortened to three days—Saturday through Monday—during that year. The Dean pointed out that, in 2015-16 the semester will resume after the break on the Tuesday after Columbus Day. On that Tuesday, Monday classes will be held in order to make up for Monday classes that had not been held on Labor Day. Regarding the reading period, the Dean noted that the College Council has recommended an extension from three to four days in years when fall classes begin before September 5, i.e., in 2012-13 through 2014-15. In those years it is possible to push back exam period and the close of residences without cutting into the late-December holiday period, Dean Call said. This year, next year, and in 2015-16, exam period ends on December 22, with residences closing on December 23. In years when the College Council recommends extending reading period to four days, the semester would still end a day

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earlier, with residences closing on December 22. Professor Umphrey, arguing the value of having a four-day fall break, wondered if the exam period might be shortened in 2015-2016, rather than shortening the fall break. She noted that many faculty members now give final exams before the formal exam period and/or require that final papers be submitted before the exam period. The Dean said that this approach, which had been tried once before, would result in insufficient time between the end of exam period and the closing of dorms for the holiday break. After some discussion, the Committee voted six in favor and zero opposed to forward to the Faculty the College Council's proposal for the Amherst College calendar.

At 4:00 P.M. Ernest LeBlanc, Benefits Administrator, and Peter Shea, Treasurer, joined the meeting to answer questions about upcoming changes to the Amherst College Defined Contribution Retirement Plan. Before discussion began, Mr. LeBlanc and Mr. Shea noted that they had been pleased by the attendance (around 260 people) at information sessions that had been held on campus in recent weeks to review changes to the plan. President Martin asked Mr. Shea and Mr. LeBlanc to summarize the process that has led to the decision to make these changes. Mr. Shea explained that the College had begun the process of developing changes to the plan about a year ago, in response to new federal regulations and increased oversight by the federal government that have increased the responsibility of employers, as plan sponsors, to take a more active role in the management and administration of their plans. On the recommendation of the Investment Committee of the College's Board of Trustees, the Trustees had authorized the creation of the Defined Contribution Retirement Plan Investment Committee (Peter Shea, Treasurer and chair; Mauricia Geissler, Chief Investment Officer at the College (whose duties include helping to manage the College's endowment); Maria-Judith Rodriguez, Director of Human Resources; Ernest Leblanc, Benefits Administrator; and Paul Murphy, Legal and Administrative Counsel) to lead this effort. Baystate Fiduciary Advisors, Inc., an investment advisory firm, has assisted the committee with selecting and evaluating the investment options and will assist the College in monitoring these options on a quarterly basis. Mr. Shea noted that the committee's first step had been to gather data on different record-keepers. Record-keepers coordinate the services of the plan and provide account statements to plan participants. After evaluating the options, the committee had decided to retain the services of TIAA-CREF as Amherst's record-keeper.

Mr. LeBlanc explained that the changes that the College is about to implement reflect the past year's efforts by the committee to identify "best-in-class," presumably better-performing investment fund choices, for the Amherst community. The committee selected these options with the help of Baystate Fiduciary, and made use of an investment rating system that is based on a number of factors to assess the investment funds that were under consideration. These factors include the following: the fund's performance history over three- and five-year periods, as well as the current year; the fund's sharpe ratio (the risk-adjusted performance of the fund relative to its peers and within its asset class), its style drift (the fund's adherence to its stated goals and objectives), its total assets under management, and the tenure of the investment advisors for the fund. A short list was constructed of funds that had the best scores, and one fund from each committee-approved asset class was then selected to be part of the new menu of options. The score needed to retain a current fund was not as high as to add a fund. However, if a lower-scoring fund was retained, a competing, higher scoring fund from the short list was added to the new menu from the same asset class.

Mr. Shea stressed that these efforts to offer better-performing funds are a positive development for all employees of Amherst, who now have the opportunity to invest in them. Mr. LeBlanc noted that not all of the funds are new. After evaluating the available choices in each asset class, it was agreed that about half of the funds currently offered should remain among

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the available options. Those TIAA funds that did not meet the evaluation criteria were replaced with competing funds that have performed better, based on the committee's criteria. While there are currently sixteen asset classes being made available, the committee may choose to add additional funds and classes in the future. President Martin asked if there is a limit to the number of funds that may be made available. Mr. LeBlanc said that there is no limit, but added that having too many choices can have a paralyzing effect on individuals who need to make choices. Mr. LeBlanc noted that the plan will become effective on December 2, 2011. Retirement contributions made on or after this date must be made from the new investment menu, which, he reiterated, will include the new investment fund choices, including certain TIAA-CREF annuity funds that are currently used by Amherst participants now. Retirement contributions that were made prior to December 2 will remain in the investment funds to which they were originally allocated, unless an individual chooses to move those investments into funds offered through the new investment menu. If individuals do not redirect their contribution to funds within the new menu by this date, new contributions will automatically be redirected to an age-appropriate T. Rowe Price Target Date Fund. Mr. LeBlanc explained that individuals who do not redirect their funds by December 2 (or the end of December for exempt employees, whose retirement contributions are allocated monthly) can do so after the deadline.

Professor Hewitt said that she has received a number of questions from colleagues, which she would like to share. On their behalf, she asked whether the College is benefiting financially from the upcoming changes to the plan. Mr. Shea responded that the College is not benefiting financially, but that employees will presumably benefit from the improved investment returns that they are expected to receive. Professor Hewitt said that colleagues have also asked whether any Board member has an interest in any of the investment options, including in the T. Rowe Price Company, and is likely to benefit financially from the new plan. Mr. Shea said that, to his knowledge, no Trustee has a financial interest in the selected funds that would enable him or her to profit from the new plan; he pointed out that the committee had selected the funds that are being made available purely on the basis of the criteria described, and had done its work independently from the Board. Professor Hewitt next asked what would happen to an individual's funds if T. Rowe Price should go bankrupt. (Mr. LeBlanc later researched this question and reported that investments in mutual funds, including those offered through TIAA-CREF, T. Rowe Price, and other funds, are held in trust and are not subject to the claims of creditors in the event of the bankruptcy of the vendor.)

Mr. LeBlanc explained that, under the current RA, SRA, and GSRA contract set up, annuity funds are offered as individual contracts. This means that only the participant can transfer funds out of the annuity contract into another fund. On the other hand, many of the other funds offered through TIAA-CREF are mutual funds. In addition, all new contributions after December 1 will be allocated to the new RC and RCP contracts, whether to an annuity fund (TIAA Traditional, CREF Money Market, and CREF Stock), or to one of the other funds that are all mutual funds. All contributions made to the new investment menu on or after December 2, 2011, will be invested in funds for which the investment committee will perform a quarterly analysis to determine if the evaluative criteria are being met. If a fund fails to meet the evaluative criteria, the fund will be placed on a watch list. If the overall performance of a fund on the watch list has not improved after a period of time (probably three to four quarters), the fund may be replaced. Furthermore, the assets in the fund being replaced will be transferred, at the direction of the College, to the replacement fund.

Questions were raised about whether there will be new/greater transaction fees as a result of the changes to the plan. Mr. Shea said that most often there will not be transaction fees associated with making changes occasionally. This might not be the case if reallocations are

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made with great frequency. If funds have been selected that do have higher management fees, it is expected that the greater returns on the funds will outweigh these costs. Professor Hewitt noted that, under the current TIAA-CREF contract, there are some changes in the amount of interest credited to investments in the TIAA Traditional funds within the existing RA, SRA and GSRA, versus new contributions received by the new RC and RCP contracts. Investments in the TIAA Traditional fund through RA, SRA, and GSRA contracts have a higher minimum guaranteed rate of interest (3 percent), versus TIAA Traditional investments going into the new RC and RCP contracts (minimum guaranteed rate of 1 percent). (Mr. LeBlanc later provided interest rates for contributions to TIAA Traditional Annuities in November: 3.5 percent for RA; 3 percent for GSRA; 3.5 percent for RC; and 2.75 percent for RCP.) In the new RC and RCP contracts, participants have the ability to move all funds invested in these contracts at any time, providing more flexibility and liquidity, which is the primary reason why the contract types were selected. TIAA Traditional investments in an RA contract can only be withdrawn in ten annual installments, not as a lump-sum. Mr. LeBlanc noted it is important to note that all investments in the TIAA Traditional RA, SRA, and GSRA contracts will remain in those contracts and earn the higher interest rates. Only new contributions invested into the TIAA Traditional Fund through RC and RCP contracts will be subject to the lower interest rates.

The Dean noted that, while the changes to the plan represent the College's efforts to be as responsible as possible about the investments that it is making available to its employees, as required by law, the changes will result in constraining some choices, depending on the investment choices that an individual had made through the plan previously. In some cases, individuals will no longer be able to invest in funds that they may have had as part of their retirement portfolios for many years. Mr. Shea said that this may be true, but the hope is that the new funds will out-perform the previous ones. He noted that funds that are in particular investment vehicles need not be moved. However, if the funds have been eliminated from the menu of choices, no future contributions may be allocated to them. The Treasurer noted that, prompted by regulations and government oversight, most employers in the profit sector began making changes more than ten years ago to its 401K plans that resemble the changes now being made by colleges (including Amherst) and universities throughout the country.

The President, the Dean, and the members agreed that it would be helpful for many members of the Amherst community to receive more advice about how to move forward with selecting investment vehicles from the new menu. Mr. LeBlanc said that he would be happy to meet with any individuals and groups on campus to offer information, and that the College is working with TIAA-CREF to add more on-campus advising sessions. Individuals can also receive advice over the phone by calling TIAA-CREF. Professor Basu commented that she had not found a telephone advising session in which she had participated to be helpful because it was not individualized; much of her information was not available to the advisor, she noted. Mr. LeBlanc said that he is developing [a commonly asked questions/answer document](#) that he hopes to distribute to the community soon. Mr. Shea then offered apologies for the letter that had been sent to all Amherst employees by TIAA-CREF over his signature the previous week. This letter, which was intended for retirees only, had been sent without the Treasurer's knowledge, and Mr. Shea noted that he had contacted TIAA-CREF to seek an explanation. The company is currently investigating what happened and will provide a response in writing. At the conclusion of the discussion, which the members said had been helpful and reassuring, the Committee decided that it would be beneficial to have an open meeting for faculty and staff to answer questions about the Defined Contribution Retirement Plan. At the conclusion of the discussion, Mr. LeBlanc and Mr. Shea left the meeting. The members reviewed a draft Faculty Meeting agenda for a possible November 15, 2011, meeting and agreed that there was insufficient business to hold a meeting.

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The Committee then decided that the open meeting about the Defined Contribution Retirement Plan should be held in the November 15 timeslot (7:30 P.M.) that would have been used for a Faculty Meeting, should one have occurred. The remainder of the meeting was devoted to personnel matters.

The meeting adjourned at 6:00 P.M.

Respectfully submitted,

Gregory S. Call  
Dean of the Faculty



AMHERST COLLEGE  
Department of English

7 November 2011

Dear Greg and Colleagues:

Attached you will find the latest draft of the college calendar for the fall semesters from 2010-11 through 2015-16. This version reflects extensive discussion in College Council.

Fall semester is typically easier to schedule than spring, chiefly because Labor Day, Columbus Day, and Thanksgiving set fixed parameters. Yet these dates also make it difficult to ensure a four-day mid-semester break and to accommodate the four-day reading period that students would prefer.

Regarding mid-semester break, you will see that in 2015-16 the semester will resume the Tuesday after Columbus Day. On that day Monday classes will be held.

Regarding reading period, the College Council recommends an extension from three to four days in years when fall classes begin before September 5th, i.e., in 2012-13 through 2014-15. In those years it is possible to push back exam period and the close of residences without cutting into the peak holiday period. This year, next year, and in 2015-16, exam period ends on December 22, with residences closing on December 23. In years when we recommend extending reading period to four days, the semester would still end a day earlier, with residences closing on December 22.

Thank you for considering our recommendations. We would be happy to answer any questions you might have.

Sincerely,

*Anston Bosman*

Anston Bosman  
Chair, College Council

A- Academic R- Residential Life Dining Hall	Fall	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	Orientation	August 29, 2010	August 28, 2011	August 26, 2012	August 25, 2013	August 24, 2011	August 30, 2015
R	Housing opens for returning students, 9 a.m.; keys at Campus Police.	September 2, 2010	September 1, 2011	August 30, 2012	August 29, 2013	August 28, 2011	September 3, 2015
H	Labor Day, classes do not meet, Offices are closed Opening Convocation	September 6, 2010	September 5, 2011	September 3, 2012	September 2, 2013	September 1, 2014	September 7, 2015
A	Fall Semester classes begin(Tuesday)	September 7, 2010	September 6, 2011	September 4, 2012	September 3, 2013	September 2, 2014	September 8, 2015
A	Wednesday, Monday Class will be held	September 8, 2010	September 7, 2011	September 5, 2012	September 4, 2013	September 3, 2014	
A	Last day to add or drop courses for the fall semester	September 15, 2010	September 14, 2011	September 12, 2012	September 11, 2013	September 10, 2014	September 16, 2015
	Mid Semester Break	Oct 9-12, 2010	Oct 8-11, 2011	October 6-9, 2012	October 12-15	October 11-14	October 10-12
	Tuesday, Monday class will be held						October 13, 2015
A	Mid term grade submission		October 26, 2011	October 24, 2012	October 23, 2013	October 22, 2014	October 28, 2015
A	Last Day for December Graduates to take comprehensive exams	October 27, 2010	October 21, 2011	October 26, 2012	October 25, 2013	October 24, 2014	October 30, 2015
A	Deadline for Readmission for Spring	November 1, 2010	November 1, 2011	November 1, 2012	November 1, 2013	November 1, 2014	November 1, 2015
A	Last Day for first year students and first semester transfer students to obtain permission to withdraw from a course without penalty	November 2, 2010	November 1, 2011	October 30, 2012	October 29, 2013	October 28, 2014	November 3, 2015
A	Advising Week-Preparation for Pre-Registration		November 3, 2011	November 1, 2012	October 31, 2013	October 30, 2014	November 5, 2015
A	Pre-registration for Spring Semester	November 11, 2010	November 10, 2011	November 8, 2012	November 7, 2013	November 6, 2014	November 12, 2015
H	Thanksgiving Recess	November 20-28, 2010	November 19-27, 2011	November 17-25, 2012	November 23-December 1, 2013	November 22-30	November 21-29
R	Deadline for students to request housing extensions after December 23 (Moore Dormitory will remain open)	December 1, 2010	December 1, 2011	December 1, 2012	December 1, 2013	December 1, 2014	December 1, 2015
A	Registrar Office	December 14, 2010	December 13, 2011	December 11, 2012	December 10, 2013	December 9, 2014	December 14, 2015
A	Wednesday, Last Day of fall Semester Classes	December 15, 2010	December 14, 2011	December 12, 2012	December 11, 2013	December 10, 2014	December 15, 2015

Amherst College Calendar  
11/7/2011

A - Academic Dining Hall	Fall	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
R - Residential Life Dining Hall	Reading Study Period	December 16-17, 2010	December 15-17, 2011	December 13-16, 2012	December 12-15, 2013	December 11-14, 2014	December 16-17, 2015
A	Final Exam Period	December 18-22, 2010	December 18-22, 2011	December 17-21, 2012	December 16-20, 2013	December 15-19, 2014	December 18-22, 2015
A	Residences (except Moore Dorm) close at 5 pm	December 23, 2010	December 23, 2011	December 22, 2012	December 21, 2013	December 20, 2014	December 23, 2015
R							



## Questions and Answers

Based on feedback from the information sessions and inquiries from participants, we are providing this additional set of questions and answers. The questions have been grouped based on the topic being addressed.

### TIAA Traditional Annuities

1. [What happens to the money in a TIAA Traditional Annuity in an RA \(Retirement Annuity\), SRA \(Supplemental Retirement Annuity\) or GSRA \(Group Supplemental Retirement Annuity\) account?](#)
2. [After the conversion date, will we be able to put money into the TIAA Traditional Annuity and receive a 3% minimum interest guarantee?](#)
3. [Do we have to transfer funds from a frozen account to the TIAA Traditional Annuity before December 5, 2011 in order to get the 3% minimum interest guarantee?](#)
4. [Why is there a lower guaranteed interest rate for the TIAA Traditional Annuity included in the new investment menu?](#)

### Decisions and Actions

1. [When can I change how my future payroll deductions are invested?](#)
2. [What happens if I don't change my allocations for future payroll deductions?](#)
3. [How is the age-appropriate T. Rowe Price Target Date Fund selected for me?](#)
4. [If I am defaulted into an age-appropriate Target Date Fund, will I be able to select an alternate Target Date fund that better aligns with my actual anticipated retirement date or my risk/reward profile?](#)
5. [If all or almost all of my investments are in a TIAA-CREF lifecycle fund appropriate for my age, is there anything I have to do before or after December 1, 2011 if I would like to remain invested in a Target Date strategy?](#)
6. [What is a "frozen fund?"](#)
7. [Can I move money into a "frozen fund" before market close on December 5, 2011?](#)

8. [What happens to my existing assets in the frozen funds after market close on December 5, 2011?](#)

## Fund Selection

1. [Were the Trustees of the College involved in the selection of the funds?](#)
2. [Who is on the Investment Committee?](#)
3. [Can asset classes and/or funds be added in the future?](#)
4. [Is there an Inflation-Linked Bond option on the new investment menu?](#)
5. [Why did the Investment Committee choose to replace the TIAA Real Estate Annuity Account with the E.I.I. International Property Institutional REIT?](#)

## Fees

1. [What fees are associated with the management of a fund?](#)
2. [Are there any extra fees associated with transferring funds from one fund to another?](#)
3. [Why are my TIAA-CREF mutual funds transferring from the Retirement share class to the Institutional share class on December 2, 2011?](#)
4. [Do I need to take any action to get the Institutional share class for my TIAA-CREF mutual funds?](#)
5. [Are there any other expenses associated with the operation of the plan?](#)
6. [Is the College making any money on these changes?](#)

## Miscellaneous

1. [Why are there so many T. Rowe Price funds?](#)
2. [Should I be concerned that the new funds are being managed by for-profit companies?](#)
3. [How do I get more information on the new investments?](#)

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## TIAA Traditional Annuities

Q1: What happens to the money in a TIAA Traditional Annuity in an RA (Retirement Annuity), SRA (Supplemental Retirement Annuity) or GSRA (Group Supplemental Retirement Annuity) account?

A: Your investments in a TIAA Traditional Annuity as of December 5, 2011 will remain in the same RA, SRA or GSRA contract and continue to receive a 3% minimum interest guarantee. [Return to Questions](#)

Q2: After the conversion date, will we be able to put money into the TIAA Traditional Annuity and receive a 3% minimum interest guarantee?

A: Yes and No. Assets (including the frozen funds) can be transferred from an existing RA, SRA or GSRA contract into the TIAA Traditional Annuity within that contract and continue to have the benefit of a 3% minimum interest guarantee. However, payroll deductions and other retirement contributions made after December 1, 2011 can only be invested in RC/RCP contracts. The TIAA Traditional Annuity in RC and RCP contracts has a lower minimum interest guarantee. [Return to Questions](#)

Q3: Do we have to transfer funds from a frozen account to the TIAA Traditional Annuity before December 5, 2011 in order to get the 3% minimum interest guarantee?

A: No. You can transfer money from an existing RA, SRA or GSRA contract into the TIAA Traditional Annuity within that contract at any time before or after December 5, 2011 and still get the 3% minimum interest guarantee.

In addition, funds in an existing RA, SRA or GSRA contract that have been transferred to a fund on the new investment menu may be subsequently transferred to the TIAA Traditional Annuity within that contract and get the benefit of the 3% minimum interest guarantee. [Return to Questions](#)

Q4: Why is there a lower guaranteed interest rate for the TIAA Traditional Annuity included in the new investment menu?

A: The TIAA Traditional Annuity included in the new investment menu is an RC/RCP contract with a floating guaranteed minimum return of 1% to 3% (currently, 1%). The lower minimum interest guarantee is a result of the current interest credit environment, more flexible distribution options and more flexible replacement rules.

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The actual rates credited to a TIAA Traditional Annuity for a particular period may be more than the guarantee, and can be found in the fund fact sheets available at: [www.tiaa-cref.org/amherst](http://www.tiaa-cref.org/amherst).

**A more detailed explanation of the interest rates associated with the TIAA Traditional Annuity, including examples, can be found by going to the following link: [Examples](#)**

If you have any questions, please contact Ernie LeBlanc, the College's Benefits Administrator, at ext. 5407 or [eleblanc@amherst.edu](mailto:eleblanc@amherst.edu). [Return to Questions](#)

## Decisions and Actions

Q1: When can I change how my future payroll deductions are invested?

A: You can change how your future payroll deductions are invested at anytime. However, if you do not change your future allocation before your first payroll in December 2011(December 2, 2011 for weekly paid employees, December 30, 2011 for monthly paid employees), the first payroll received at TIAA-CREF in December 2011 will be directed to the age-appropriate T. Rowe Price Target Date Fund and will stay there until you make changes.

The following link will allow you to change your future contribution allocations: [www.tiaa-cref.org/amherst](http://www.tiaa-cref.org/amherst). If you prefer, you can call a TIAA-CREF representative at 800 842-2888, Monday through Friday, 8 a.m. to 10 p.m., and Saturday 9 a.m. to 6 p.m. (ET). [Return to Questions](#)

Q2: What happens if I don't change my allocations for future payroll deductions?

A: Starting in December 2011, funds contributed will be invested in an age-appropriate T. Rowe Price Target Date Fund. However, you can transfer or move those funds invested in the Target Date Fund to one or more of the other funds in the new investment menu. [Return to Questions](#)

Q3: How is the age-appropriate T. Rowe Price Target Date Fund selected for me?

A: The age-appropriate fund is determined by your date of birth on record at TIAA-CREF plus 65 years. For example, if you were born in 1962, your future allocations would be defaulted to the T. Rowe Price Retirement 2030 Fund since you will reach the age of 65 in 2027. Since 65 is the approximate age when an investor may begin making withdrawals, these funds may be merged into a fund with a more conservative asset allocation once the target date is reached. [Return to Questions](#)

Q4: If I am defaulted into an age-appropriate Target Date Fund, will I be able to select an alternate Target Date fund that better aligns with my actual anticipated retirement date or my risk/reward profile?

A: Yes. You can change your future allocations at any time to any of the options on the new investment menu.

[Return to Questions](#)

Q5: If all or almost all of my investments are in a TIAA-CREF lifecycle fund appropriate for my age, is there anything I have to do before or after December 1, 2011 if I would like to remain invested in a Target Date strategy?

A: No. Your contributions to the plan after December 1, 2011 will automatically be directed to an age-appropriate T. Rowe Price Target Date fund. Your contributions which are currently in a TIAA-CREF Lifecycle Fund will stay in that fund. However, you may wish to consider whether or not to transfer your existing funds from the TIAA-CREF Lifecycle Fund to the T. Rowe Price Target Date Fund. [Return to Questions](#)

Q6: What is a “frozen fund”?

A: A frozen fund is a fund on the existing investment menu that will not accept new contributions after December 1, 2011 and will not accept transfers into the fund after market close on December 5, 2011. After market open on December 6, 2011, transfers will be allowed out of a frozen fund in a RA, SRA or GSRA contract into one or more of the funds on the new investment menu, including the TIAA Traditional Annuity within that contract. A frozen fund will continue to reflect any investment income generated by interest and dividends, if applicable, and any unrealized or realized gains or losses created by market fluctuations. [Return to Questions](#)

Q7: Can I move money into a “frozen fund” before market close on December 5, 2011?

A: Yes. At anytime between now and market close on December 5, 2011, you can move your existing assets among all the current investment options offered under the existing plan. If, for example, you are interested in investing additional assets into the TIAA Real Estate Account variable annuity or the CREF Inflation-Linked Bond Account variable annuity, you can simply click on this link [www.tiaa-cref.org/amherst](http://www.tiaa-cref.org/amherst), sign in and make any changes you would like. If you prefer, you can also call a TIAA-CREF representative at 800 842-2888, Monday through Friday, 8 a.m. to 10 p.m., and Saturday 9 a.m. to 6 p.m. (ET). [Return to Questions](#)

Q8: What happens to my existing assets in the frozen funds after market close on December 5, 2011?

A: Your existing assets will stay in the applicable RA, SRA or GSRA contract and continue to be invested in the frozen funds unless you choose to exchange your holdings into the new investment menu, including the TIAA Traditional Annuity within that contract with the benefit of the 3% minimum interest guarantee. You cannot move these assets among the frozen funds after market close December 5, 2011. [Return to Questions](#)

## Fund Selection

Q1: Were the Trustees of the College involved in the selection of the funds?

A: No. The Trustees of the College authorized the formation of the Investment Committee. The Investment Committee approved the investment policy and is responsible for the implementation and administration of that policy. All decisions were made by the Committee with input from our investment advisor, Baystate Fiduciary Advisors. The Trustees of the College had no input on the asset classes or funds selected. [Return to Questions](#)

Q2. Who is on the Investment Committee?

A: The Investment Committee consists of the College's Treasurer (Peter Shea), Chief Investment Officer (Mauricia Geissler), Human Resources Director (Maria-Judith Rodriguez), Benefits Administrator (Ernie LeBlanc) and Legal and Administrative Counsel (Paul Murphy). [Return to Questions](#)

Q3: Can asset classes and/or funds be added in the future?

A: The present menu contains a diverse spectrum of asset classes with funds which underwent a rigorous evaluation process. It is not expected that the fund menu will remain the same over time. The Committee will meet on a quarterly basis to review each of the funds in the investment lineup. Funds not meeting the evaluation criteria will be placed on a watch list and if the overall fund performance is not corrected after a period of time, or other issues persist that cause the Committee concern, the fund may be replaced. In addition, the utilization of each asset class and associated fund(s) will be evaluated so that an asset class or fund may be dropped if not used by participants. Conversely, additional asset classes and types of funds within an asset class will be considered. [Return to Questions](#)

Q4: Is there an Inflation-Linked Bond option on the new investment menu?

A: Not at this time. The Committee selected three bond funds with different investment approaches. The Committee determined that the three bond asset classes would provide participants with a variety of options to diversify their fixed-income investments. As stated previously, the Committee will be reviewing asset classes and funds on a quarterly basis and will consider adding a dedicated inflation-linked bond fund in the future.

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Q5: Why did the Investment Committee choose to replace the TIAA Real Estate Annuity Account with the E.I.I. International Property Institutional REIT?

A: The Investment Committee decided to offer a real estate investment option that had broad global exposure. The E.I.I. International Property Institutional Fund invests in companies that invest in real estate predominantly outside of the United States. The TIAA Real Estate Account invests in properties predominantly in the United States. The Committee will consider adding a real estate fund focusing on U.S. properties in the future. [Return to Questions](#)

## Fees

Q1: What fees are associated with the management of a fund?

A: There are internal management fees for each fund, referred to as expense ratios, which are netted from the investment performance for each fund. Some or all of these fees may be associated with the actual management of the fund, while some portion may be shared with the recordkeeper of the plan to help defray the costs to run the reporting, investment tracking, and other activities associated with operations of the plan for participants. These expense ratios can be found in the individual fund fact sheets located at [www.tiaa-cref.org/amherst](http://www.tiaa-cref.org/amherst)

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Q2: Are there any extra fees associated with transferring funds from one fund to another?

A: No. There are no charges or loads when you transfer funds from one fund to the other on the new investment menu. However, there is a 2.5% surrender fee from TIAA Traditional Annuity in the RC contract if a terminated participant elects a lump sum distribution within 120 days of termination. [Return to Questions](#)

Q3: Why are my TIAA-CREF mutual funds transferring from the Retirement share class to the Institutional share class on December 2, 2011?

A: The TIAA-CREF Institutional Share class provides each shareholder in the TIAA-CREF mutual funds with the same underlying investments in the fund but with a reduction of expenses equal to 25 basis points (0.25%, or .0025 of each \$1 invested). [Return to Questions](#)

Q4: Do I need to take any action to get the Institutional share class for my TIAA-CREF mutual funds?

A: No. The change will happen automatically. [Return to Questions](#)

Q5: Are there any other expenses associated with the operation of the plan?

A: Yes. For example, there are costs associated with new audit requirements and the investment advisor assisting the Committee. For 2011 these qualified plan expenses are paid through an arrangement with TIAA-CREF. These expenses are not borne by the plan participants. [Return to Questions](#)

Q6: Is the College making any money on these changes?

A: No. The new approach enables us to more effectively comply with government regulations and to improve the quality of the plan's investment choices. [Return to Questions](#)

## Miscellaneous

Q1: Why are there so many T. Rowe Price funds?

A: Actually, there are only two basic fund options offered by T. Rowe Price. One of the new funds is the T. Rowe Price New America Growth Fund. In addition, there is a suite of 11 target date funds, plus a retirement income fund that can be used at retirement. Under current industry practices, all the target date options have to come from the same selected vendor. [Return to Questions](#)

Q2: Should I be concerned that the new funds are being managed by for-profit companies?



A: No. Although fees charged for a fund are part of the evaluation process in selecting a fund, the investment return comparisons are done net-of-fees. So, while a fund may charge higher fees, if the investment performance net-of-fees (meaning all expenses have been deducted out of the performance figures) has generally provided consistently higher returns, you, the participant, benefit. If returns and other evaluation criteria are equal, and a fund has lower fees, the lower fee fund would generally provide a better return. [Return to Questions](#)

Q3: How do I get more information on the new investments?

A: You can find Fund Fact Sheets, a link to prospectus and other relevant information regarding the changes at <http://www.tiaa-cref.org/amherst/index.htm>

You may also call TIAA-CREF at 800 842-2888. [Return to Questions](#)

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## TIAA Traditional Annuity

In view of the interest in TIAA Traditional Annuity, more detailed information is provided below relating to the interest rates for TIAA Traditional Annuity investments under the new contracts, Retirement Choice and Retirement Choice Plus (RC and RCP, respectively), versus the applicable rates for investments in the present contracts, Retirement Annuity, Supplemental Retirement Annuity and Group Supplemental Retirement Annuity (RA, SRA and GSRA, respectively). In addition, there were also questions relating to transfers to and from other funds, including “frozen Funds”.

The following points were supplied, and confirmed, by TIAA-CREF.

- Investments in the TIAA Traditional Annuity through RA, SRA, and GSRA contracts have a guaranteed rate of return of 3%, versus a floating guaranteed rate of 1%-3% in the new RC and RCP contracts.
- All employer and employee contributions starting with the first payroll received by TIAA-CREF following 12/1/11 will be directed to the new RC and RCP contracts. All new contributions deposited into these contracts following 12/1/11 are subject to the contractual terms of the new RC and RCP contracts including the floating guaranteed rate of return of 1%-3% for TIAA Traditional. The new investment menu is available to the new contributions and the

asset accumulations that take place in these contracts following 12/1/11.

- Existing asset accumulations in the RA, SRA and/or GSRA contracts as of market close on 12/5/11, the plan merger date, will remain in the originating contracts (RA, SRA, GSRA) unless a participant directs TIAA-CREF to take alternative action such as a distribution or contract to contract transfer to the new RC/RCP contracts. The new investment menu is available to the asset accumulations within the originating contract and any assets within the RA, SRA and/or GSRA contracts can be exchanged amongst the new investment line up, while remaining subject to the applicable contract provisions of the originating contract, including the guaranteed minimum rate of return of 3% associated with TIAA Traditional.
- A “frozen fund” is a fund on the existing investment menu that will no longer accept future contributions after 12/1/11 and will not allow for exchanges into the fund after market close on 12/5/11. Exchanges of existing assets will be allowed out of a frozen fund into the new investment menu after market open on 12/6/11. A frozen fund will continue to reflect any investment income generated by interest and dividends, if applicable, and any unrealized or realized gains or losses created by market fluctuations.

Here are several examples to help illustrate these points, all of which are based on asset accumulations in RA, SRA and GSRA contracts.

1. A participant’s existing account balance on December 20, 2011 (or the value on any date after market close on December 5, 2011) in an RA contract is \$100,000 in TIAA Real Estate. S/he exchanges (transfers) \$20,000 to TIAA Traditional and \$20,000 to PIMCO Total Return on December 20, 2011. Those assets will be invested in TIAA Traditional and PIMCO Total Return in the RA contract. The TIAA Traditional has the 3% interest guarantee.
2. A participant is currently invested in TIAA-CREF International Equity Index (a “frozen fund”) in an RA contract. S/he may transfer money from that fund at any time before or after December 5, 2011 to the TIAA Traditional Annuity in an RA contract with the 3% guaranteed minimum return. Similarly, a participant with funds currently invested in the TIAA-CREF Large

Cap Value (another frozen fund) in a GSRA contract, may transfer funds at any time to the TIAA Traditional Annuity in a GSRA contract with the 3% guaranteed return. These transfers can be made even if the participant did not have any money invested in a TIAA Traditional Annuity in an RA or GSRA contract on December 5, 2011.

3. On January 15, 2012, a participant decides to transfer \$2,000 from TIAA-CREF Mid-Cap Value (a “frozen fund”) in an RA contract to PIMCO Bond Total Return (a new fund). At a later date, the participant can transfer \$2,000 from PIMCO Bond Total Return in the RA contract to the TIAA Traditional Annuity in an RA contract with the 3% guaranteed minimum return. Again, this transfer can be made even if the participant did not have any money in a TIAA Traditional Annuity in the RA contract on December 5, 2011.
4. A participant has \$5,000 in CREF Inflation-Linked Bond (a “frozen fund”) in an RA contract and wants to transfer \$2,500 to TIAA Real Estate (a “frozen fund”). As long as this transaction occurs before market close on December 5, 2011, it will be allowed. After market close on December 5, 2011 it will not.

These examples are based on contributions made to the new RC and RCP contracts on or after December 2, 2011, and any associated accumulations (any investment income generated by interest and dividends, if applicable, and any unrealized or realized gains or losses created by market fluctuations market).

1. A participant started contributing to Invesco Diversified Dividend in an RC contract after December 1, 2011. On May 13, 2012 the value of this investment is \$1,500. S/he wants to transfer this amount into the TIAA Traditional Annuity. What is the interest guarantee? Since the value of Invesco Diversified Dividend was due to payroll contributions made on or after December 1, 2011, the transfer would be made to the TIAA Traditional Annuity in an RC contract, with the floating guaranteed rate of return of 1%-3%.
2. A participant started contributing to TIAA-CREF Growth & Income in an RCP contract after December 1, 2011. On December 11, 2013 s/he wants to transfer the value of this fund to CREF Global Equities (a frozen fund). This cannot happen since the CREF Global Equities is a frozen fund and cannot accept any new contributions or accumulations after market close on December 5, 2011. [Return to Questions](#)

