

Frequently Asked Questions:

- 1. If I map into a target date fund because there isn't a fund similar to what I am currently in, can we change the investment allocation?** Yes, employees can make their own asset allocation based on their preferences. Please work with your retirement plan provider to establish your new asset allocation.
- 2. How do the Administrative and Management fees fair nationally?** You really can't compare YSU's fees nationally. Recordkeeping fees are based on the amount of assets a vendor has, average account balances and services provided. The YSU plan is small compared to other public universities and the assets are split between four vendors going forward and balances with others from past contributions. Based on the assets that each of the four vendors have going forward, the recordkeeping fees are competitive. Although YSU's plan is smaller than others, YSU's plan is benefiting from pricing from vendors through the IUC-Ohio and the other Ohio universities making changes at the same time.
- 3. Is it required to have four selected vendors?** Yes, the Ohio Department of Higher Education has mandated a minimum of four vendors.
- 4. Since I am currently with a de-selected vendor, will I most likely have to pay a fee to transfer my money?** Not necessarily, the surrender charges in annuity contracts are based on how long you have been in the plan. After a certain time period (e.g. 10 years), the surrender charges no longer apply.
- 5. I received an email from Fidelity about the upcoming changes, but when I logged into my account my beneficiaries were not listed? What do I have that corrected?** Please contact Fidelity. Beneficiary elections have been copied over to the new investment platforms with AIG, AXA and TIAA, but they should remain in place at Fidelity. Now is a good time to check your beneficiary elections and make sure they are up to date.
- 6. How do I make the changes from a de-selected vendor to Ohio deferred Comp?** Please contact Ohio Deferred Comp and they can tell you how to enroll.
- 7. Vast majority of participants would see a fee reduction in fees based on the slides, who would be the participants that would see an increase?** Participants who use Fidelity and only invest in index funds will begin paying a recordkeeping fee. Currently the recordkeeping fee is being covered by "revenue share" from actively managed Fidelity funds and the use of Fidelity's proprietary fund line-up. Going forward, each fund will have the same recordkeeping fee (fee levelization) and there will be no revenue share built into funds, since the university will utilize R6 or "zero revenue" share classes, resulting in most employees paying less for their investments.
- 8. Low cost indexing investors may see this as progressively worse than their current structure, would that be accurate?** Only to the extent as referenced above, that up until now, they have not paid for any of Fidelity's overhead, it has been covered by the other investments. Under the new fee arrangement, everyone shares equally in the administrative overhead (aka recordkeeping and administrative fees).
- 9. The investment category I am in is the Fidelity Select portfolio, would the brokerage options allow me to continue these investments options?** Yes, you can continue to invest in these funds through the brokerage window.

10. Will there be fees associate with Brokerage? Yes, there are fees. Please refer to your vendor for the applicable fees for their brokerage window.

11. When I first started at YSU I invested with Lincoln but since stopped, am I able to leave existing money there due to this vendor consolidation? Yes, any money that is in a university retirement plan (ARP, 403(b) and 457(b)) as of June 30, 2020 will remain as is with your current or past vendor with the exception of funds at Fidelity and ARP funds at AXA, which will be “mapped” to the new fund line-up. All other funds are in individually controlled investment contracts and they can only be directed by the individual, not the university.

12. Am I able to use a financial advisor separate from what the University is offering through the selected vendors? Yes, if you utilize Fidelity or TIAA as your retirement plan provider, there is a Registered Investment Advisor Fee Deduction Program. With this program, your outside advisor can register with Fidelity or TIAA and they can advise you on your assets at Fidelity or TIAA and the fee they charge you can be deducted from your retirement account.