

Power Up



MARCH 2015

Enhanced investment lineup and lower fee achieved in 2014

- Our enhanced, four-tier investment lineup is designed to meet the diverse investment goals and needs of faculty and staff by offering best-in-class fund options in a variety of asset classes from several well-known fund managers.
- Our low-cost, transparent fee structure keeps more of your money working for you. Participants in the NSHE retirement plan pay seven basis points (7 bps) or \$0.70 per \$1,000 of assets annually to cover administrative fees.

Visit www.tiaa-cref.org/nshe for a refresher on the available investment options and [fees](#).

Dedicated Financial Consultants can help you plan for — and live well in — retirement.

The NSHE Defined Contribution Retirement Plan offers access to TIAA-CREF Financial Consultants at no additional cost to you. Meet with them on campus or schedule an appointment at the local TIAA-CREF office. For dates and times, simply visit www.tiaa-cref.org/nshe and click on *Schedule a Session (North)* or *Schedule a Session (South)* on the right side of the page. Or, call **800 842-2888** Monday through Friday, 6 a.m. to 6 p.m. (PT).

Below are the dedicated consultants for the NSHE Defined Contribution Retirement Plans.

North (Reno)	South (Las Vegas)
Rae Jensen	Marty Jaspers
Lynda Mahorter	Kristofer Lanzer
Benson Mathews	Scott Knudsen
	Jordan Curtis
	Joe Ayers

LOCAL OFFICE	LOCAL OFFICE
200 S. Virginia Street 8th floor Reno, NV 89501	3960 Howard Hughes Parkway Suite 500 Las Vegas, NV 89169

Counseling sessions by appointment only.

The Financial Consultants can help you answer three important questions:

- Am I saving enough?
- Where should I invest?
- When can I retire?

See what advice can do for you. [Watch the video.](#)

Mandatory contribution to increase

For compensation earned after July 1, 2015, the mandatory contribution to the NSHE Defined Contribution 401(a) Retirement Plan will be 14.5%. The NSHE contribution also will increase to 14.5%.

Laudus Mondrian Fund updated

Charles Schwab Investment Management, Inc. (CSIM) merged the Laudus Mondrian Institutional Emerging Markets Fund with the Laudus Mondrian Emerging Markets Fund in early February. Notifications were distributed in January.

New beneficiary default: Review your selections.

Because designating beneficiaries for the retirement plan is an important but often overlooked task, NSHE restated the retirement plan document to change how default beneficiaries are determined for the current NSHE retirement plan contracts (retirement plan accumulations on or after 1/1/14).

Effective January 1, 2015, employees who do not actively elect a beneficiary for the current contracts will have their assets automatically defaulted to their current spouse.* If an employee has no spouse at the time of their death, then assets will default to their estate.** Employees who have an account balance in the legacy NSHE retirement contracts (retirement plan assets accumulated prior to December 31, 2013, that have not been moved into the new contracts), then the default beneficiary designation will remain as estate.

IMPORTANT: The updated default rule automatically changes the beneficiary for current contracts in the event of divorce.

Your former spouse designation will be voided and assets will be designated automatically to your new spouse should you remarry, or to your estate should you remain unmarried. In the event you want to retain your former spouse as a beneficiary, you must actively redesignate your former spouse.

For many employees, no action is necessary. However, we encourage you to review your beneficiary selections.

You can update or change your beneficiary designations at any time. Simply log on to the secure portal at www.tiaa-cref.org/nshe or call TIAA-CREF at **800 842-2252**.

You can update your beneficiary(ies) across your NSHE retirement accounts by simply selecting the link that says “Apply these designations to other account(s).”

* Recent IRS guidance defines spouse to include same-sex spouses regardless of state of domicile. The restated 401(a) Plan defines “Spouse” as the person to whom an employee is married where the marriage was validly entered into in a state whose laws authorize the marriage, even if the employee is domiciled in a state that does not recognize the validity of the marriage.

** A beneficiary defaulted to estate means the assets are subject to probate (proving they are yours) where they could be claimed by any number of competing interests, including creditors, and may be subject to taxes, administrative expenses and executor or attorney fees.

Consider consolidating your retirement accounts to lower fees.

Having multiple accounts, even with the same retirement vendor, can make it difficult for you to manage your money. Consolidating your legacy accounts into the NSHE retirement program simplifies your retirement account and offers several additional advantages:

- **Lower fees.** The current NSHE retirement program offers lower-cost investment options, which puts more money to work for your future. The table below compares the program expenses for the deselected vendors (American Century, Fidelity, T. Rowe Price, and VALIC) and the legacy TIAA-CREF plans to the program expenses of the current retirement program.

Investment provider	Total fees ¹	Yearly fees per \$10,000 account balance ²
American Century	1.01% ³	\$101
Fidelity	0.71% ⁴	\$71
T. Rowe Price	0.72% ³	\$72
VALIC	1.31% ⁴	\$131
TIAA-CREF - Legacy	0.45% ³	\$45
TIAA-CREF - New	0.35% ^{3,5}	\$35

¹ The figures in this column represent an annual average and include per participant fees and fund expense ratios.

² Please note that your actual fees will differ from the averages shown here, depending on your asset allocation strategy.

³ As of 6/30/2014

⁴ As of 12/31/2013

⁵ Includes an annual Plan Servicing Fee of 0.07% or \$0.70 per \$1,000 in assets.

- **Monitoring of the new funds.** The NSHE retirement plan committee regularly reviews each fund in the new retirement program to make sure it continues to meet acceptable standards. [Click here](#) to view quarterly performance reviews for the NSHE Retirement Plan fund lineup.
- **Better control over your money.** Transfers and future rebalancing will be easier to manage, which will make it easier for you to monitor your progress towards your retirement goals.
- **Less paperwork.** Consolidating your assets in one place means less time and effort to monitor and manage your investments.

Consider consolidating continued from previous page

Important note: Old and new TIAA-CREF contracts have different benefits and features. For instance, different liquidity rules and lower guaranteed minimum interest rates apply to TIAA Traditional Annuity assets in the new contract. **You should seek the guidance of a financial professional before you transfer any account balances to new contracts.** You may only transfer your assets from an old contract to a new contract. You may not transfer assets back into an old contract once this transfer has been completed.

To request a **cross-contract transfer** from your TIAA-CREF legacy account(s) into the new NSHE retirement program, or to transfer from a deselected vendor, contact TIAA-CREF at **800 842-2252**, Monday through Friday, 5 a.m. – 7 p.m. or Saturday, 6 a.m. – 3 p.m. (PT).

Take advantage of one-on-one counseling.

As part of the NSHE retirement program, you have access to financial counseling **at no additional cost to you.** You can schedule an appointment on your campus or at a TIAA-CREF Executive Office (Las Vegas or Reno). See the article at right for more details.

Women's online engagement center helps women become more financially savvy.

Did you know approximately 40% of NSHE employees are women, and 2/3 of them are over age 40? Yet only 13% of women had an advice session. Today, women live longer than men¹ and spend an average of 11 years out of the workforce,² which means women have unique savings needs. Our administrative service provider created an online financial community for peer-to-peer and expert insights where women can connect, ask questions and get valuable information about their finances. Topics include tips on everything from paying for college to investing wisely for retirement. Or get answers to questions in the *Ask the Expert* section. View this [brief video](#) to find out what [Woman2Woman](#) has to offer.

* Data as of 09/30/2014

¹ United States Census and Social Security Administration for 2011. <http://lifeexpectancycalculators.com/actuarial-life-tables.html>

² *The Long-Term Price of the Gender Pay Gap*; *The Wall Street Journal* 10/21/2014

Realignment of CREF Account expenses changing

TIAA-CREF sent important communications this month about a change being made by the College Retirement Equities Fund (CREF). In April, CREF will move to a new "class" structure for its variable annuity Accounts, allowing expense ratios to be better aligned with the wide range of clients and individuals CREF serves. CREF investment options in the NSHE retirement plan will be charged the lowest-cost expense ratio.

The communication you received from TIAA-CREF provided full details of the change and how it may affect your retirement plan Account(s) and any individual plans/products in which you invest. It also included answers to some frequently asked questions. **The change will take place automatically and does not require any action on your part.**

Please read the communication from TIAA-CREF carefully. To learn more, visit www.tiaa-cref.org/crefclass.