October 1, 2023

Dear UNC Retirement Plan Participant,

The University of North Carolina (UNC) System is committed to periodically reviewing its retirement programs to make sure they continue to meet participants’ needs. Among the things considered are the range of investment options available through the plans, investment option performance and value, recordkeeping costs, and whether the plans provide financial planning tools to assist participants with their retirement planning objectives.

Earlier this year the UNC System decided to move from two retirement plan recordkeepers (TIAA and Fidelity) to a single recordkeeper for all five UNC Retirement Plans. We issued a Request for Proposal in April, and we have recently awarded a contract to TIAA to be the University’s single recordkeeper. The University is currently working on a transition plan for changes to take effect in the spring of 2024. Affected plans include:

- UNC Optional Retirement Program (ORP)
- UNC 403(b) Plan
- UNC 457(b) Plan
- UNC Senior Administrative Officer Retirement Program
- UNC Senior Athletic Employee Retirement Program

The purpose of this letter is to inform all participants with a balance in one or more of the plans listed above (for example, active employees, retirees and former employees) as well as those receiving benefits from someone who participated (for example, QDRO recipients and other beneficiaries), about this change and how it may affect you. Note: If you are an active employee, you should have already received a similar notification from the University via an email from your constituent institution.

MOVING TO A SINGLE RETIREMENT PLAN RECORDKEEPER WILL CREATE GREATER EFFICIENCIES AND ECONOMIES OF SCALE

The move to TIAA as a single recordkeeper will offer many potential advantages to the UNC System, including the ability to better leverage the University’s $10 billion in defined contribution retirement plan assets to reduce recordkeeping expenses. In addition, those who participated in one of the UNC Retirement Plans, or are receiving benefits from someone who did, will see several advantages, including:

- Lower cost investment options, including mutual funds and collective investment trusts
- Consideration of plan pricing structures that allow UNC to better leverage the size of the plan for participants
- Contribution planning and investment selection advice
WHAT’S NEXT

TIAA will be the recordkeeper for all five of the UNC Retirement Plans beginning in the spring of 2024, with some changes taking effect as early as September 1, 2023. If you have a balance in one or more of the UNC Retirement Plans, or are receiving benefits from someone who did, what’s next will depend on who is currently managing your plan assets.

- **If TIAA is your current recordkeeper:** You will not need to take any action. Since TIAA is already your recordkeeper, your investments will continue as is, but will be transferred to a new type of contract with TIAA.

- **If Fidelity is your current recordkeeper:** Review the transition guide from TIAA which highlights details about the fund lineup available through TIAA, the fund mapping process, key dates, and the decision-support resources available to you. **Note:** The TIAA investment lineup is similar to the Fidelity lineup with a few exceptions. You can view the investment options at [TIAA.org/unc](http://TIAA.org/unc).

In the coming months, all participants with a balance in the plan(s) will receive more information about the changes, including a transition guide from TIAA. Carefully review the guide for details on key dates, specific action steps, and resources available to you.

QUESTIONS?

If you have questions, please contact the University Benefit Representative at your constituent institution.

Sincerely,

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