CALIFORNIA STATE UNIVERSITY, LONG BEACH RESEARCH FOUNDATION

MEMORANDUM

NOTICE TO EMPLOYEES-
RETIREMENT PLAN CHANGES EFFECTIVE MARCH 1, 2020

February 26, 2020 Code: HR-20-02

TO: Research Foundation Benefitted Employees
(Communicated via e-mail)

FROM: Stephanie Moreno
Director of Human Resources

SUBJECT: CSULB Research Foundation Retirement Plan Changes Effective March 1, 2020

Notice to Employees - IMPORTANT, PLEASE READ
RFDN Retirement Plan Changes - Effective March 1, 2020

The CSULB Research Foundation (RFDN) is currently in the process of restating its Retirement Plans to include language addressing new regulatory requirements set forth by ERISA (the federal law governing retirement plans) and to provide a more diversified fund line-up option to employees in the 403(b) TDA Plan.

Our Plans **currently** consist of the following two Plans -

1. **403(b) Defined Contribution (DC) Plan** - The DC Plan contains only employer contributions. Employees are automatically enrolled and 100% vested after 2 continuous years in an eligible employment category.
2. **403(b) Tax Deferred Annuity (TDA) Plan** - The TDA Plan contains only employee contributions made voluntarily through pre-tax salary deferrals. Employees in an eligible employment category can participate in the TDA Plan the first of the month following their date of hire. Employees can start, stop and change deferrals prior to any pay day and all deferrals made by employees are immediately 100% vested.

Effective **March 1, 2020**, the existing DC Plan will be restated and expanded to include both employer contributions and employee pre-tax salary deferrals in one Plan document instead of two. The restated plan will continue to be called the 403(b) Defined Contribution Plan. The current TDA Plan will be frozen as of March 1, 2020- meaning that it will no longer accept contributions. All voluntary, pre-tax salary deferrals made on or after March 1, 2020 will be contributed to the new restated DC Plan. Employer contributions and employee pre-tax deferrals will be held in separate accounts within the restated DC Plan.

What does this mean to you? ... If you currently participate in:

- **Both DC Plan and TDA Plan** - If you currently participate in both plans, you already have a plan account established under the existing DC Plan. All employer contributions will continue to go to the DC Plan account as before. Effective with the first pre-tax employee deferral deducted from your pay on or after March 1, 2020, your pretax salary deferrals be deposited into a separate account under the DC Plan for your salary deferrals. Your salary deferrals will be invested according to the investment elections you currently have on file for your DC Plan funds, until such time as you make a different investment election. Your current beneficiary designation under the DC Plan will apply to your salary deferrals as well, unless modified by you in accordance with plan procedures. Your pre-March 1, 2020 contributions to the TDA Plan will remain in that plan as currently invested. However, you may elect to transfer your funds from your TDA account and into your new salary deferral account under the DC Plan any time after March 1, 2020. The DC Plan offers a more diversified fund line-up for your investments than the TDA Plan.

- **The DC Plan Only** - If you currently participate in only the DC plan, you already have a plan account established under the existing DC Plan. All employer contributions will continue to go to the DC Plan account as before. You do not need to do anything. Should you elect to make voluntary, pre-tax salary deferrals to the TDA account after March 1, 2020 through HR, a salary deferral account will automatically be established for you when your first deferral is sent into TIAA. Your salary deferrals will be invested according to your current investment directions for your DC Plan funds until such time as you make a different investment election. Your current beneficiary designation under the DC Plan will apply to your salary deferrals as well, unless modified by you in accordance with plan procedures.
- **The TDA Plan Only** - If you currently only participate in the TDA Plan, that Plan will be frozen March 1, 2020, meaning no future contributions will be made to that Plan. A salary deferral account will be established for you under the restated Plan for all deferrals made on or after March 1, 2020. You should receive a welcome packet from TIAA within 3-4 weeks after your first deferral is made to the restated DC Plan. Your salary deferrals will be invested in the Life Cycle default investment fund managed by TIAA until you logon to TIAA.org and make a different investment election. You will also need to designate a beneficiary(ies) for this account. The previous investment directive and beneficiary elections associated with the frozen TDA account do not carry over to your new DC Plan account. You may elect to transfer your funds from the frozen TDA account and into your new salary deferral account under the DC Plan any time after March 1, 2020. The DC Plan offers a more diversified fund line-up for your investments than the TDA Plan. If and when you become eligible for employer contributions, those contributions will be made to an employer contribution account for you under the Plan.

A complete menu of investment options under the restated DC Plan, with fund prospectuses, is available on TIAA.org.

Please let me know if you have any questions.