

From: [University Human Resources](#)
Subject: Exciting changes coming soon to the Iowa State University retirement plans with TIAA
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Date: February 14, 2025

To: All benefits-eligible employees

From: Dr. Sean Reeder, Senior Vice President for Operations and Finance
Kristi Darr, Vice President for University Human Resources

Subject: Exciting changes coming soon to the Iowa State University retirement plans with TIAA

Iowa State University is proud to offer a retirement program that helps you plan for a satisfying life at the end of your working days — one that helps you achieve your financial goals and maintain financial wellness.

Because we work hard to ensure our plans remain financially strong and continue to serve your best interests. This spring we will be implementing changes to enhance retirement benefits for all TIAA plan participants. ***You do not need to take any action at this time — but future communications will outline steps you will need to take.***

First and foremost, ***contribution rates and eligibility requirements are not changing.*** The basic design of the retirement program will remain the same. Instead, in April, we will be implementing the following enhancements to TIAA plans:

- **New default investment option.** The TIAA plans' default investment option will be updated. It will transition from the current lifecycle funds to a new offering called Iowa State RetireOnTrack. This new default option automatically manages your investments, making it easier for you to stay on track with your retirement goals, and includes the option for guaranteed income payments for life when you retire. Participation in Iowa State RetireOnTrack is optional — you continue to have the freedom to make your own, or different, investment decisions. However, the Iowa State RetireOnTrack moderate portfolio will become the default option for Iowa State TIAA participants who do not make a different investment election during the transition.
- **New investment options, with lower fees.** Some of the current investment options will be replaced. The new investment lineup will offer carefully selected options you can use to create your own investment strategy. Several options come with reduced costs. With

reduced fees, the overall cost of participation in the retirement program is less — a benefit in helping you reach your savings goals.

- **New self-directed brokerage option.** This new feature allows you to invest a portion of your balance in a self-directed brokerage account, giving you access to thousands of mutual funds. If you're an experienced investor seeking more investment choices, the brokerage account may appeal to you. This option also may appeal to you if you have specific investment preferences outside the core investment funds.

Important resources will remain the same: you'll continue to have TIAA account access and will receive instructions for accessing and managing your new account(s). Also, you'll continue to receive retirement plan investment advice from a TIAA financial consultant *at no additional cost to you*.

This is the perfect time to make the most of your retirement benefits. The new enhancements provide an opportunity for you to revisit your retirement plan goals to see how the plan changes may benefit you. Don't worry. You will be kept well-informed throughout the upcoming transition. Look for more information coming from TIAA in early March., including a detailed transition guide that contains important information such as key dates, specific action steps, upcoming information sessions, and other available resources.

In the meantime, if you have questions, visit tiaa.org/iastate or call TIAA at **800-842-2252**, weekdays from 7 a.m. to 9 p.m. CT.