




FERRIS STATE UNIVERSITY

OFFICE OF ADMINISTRATION & FINANCE

Date: May 17, 2019

To: Faculty, Staff and Retirees

From: Jerry Scoby 

Subject: Update on Retirement Plan Fund Offerings

Many of you will recall that in 2015 and 2016, the University did an extensive review of the fund offerings available through the retirement plans with TIAA and with Fidelity. Part of that process was to review, eliminate, and add selected funds so that the University offerings included over 30 options across many different asset classes with TIAA and over 30 fund offerings through Fidelity.

This work was done collectively with the assistance of Cammack Retirement Group along with a University Retirement Plan Review Committee made up of representatives from all of our employee groups.

Once the comprehensive review was completed, the University moved to our ongoing operational mode which included a process where the Finance and Human Resource teams annually review the performance of each of the funds offered under the TIAA and Fidelity plans. The Retirement Plan Performance Review team is chaired by Mike Grandy, Associate Vice President for Finance. The other members include: Nancy Wencl, Treasury Manager; Holly Williams, Manager of Benefits & Wellness programs; and the Associate Vice President for Human Resources when that position is filled.

When this team completed its review and issued a report in February, they recommended that the University remove the TIAA Mid-Cap Value Fund from the fund offerings and put five (5) other funds on a watch list. The rationale behind eliminating the TIAA Mid-Cap Value Fund is that it has consistently underperformed its benchmark when looking at a one, three, five, and ten year analysis. We met with representatives from the University's employee groups on April 24, 2019 to share the findings and discuss the elimination of this fund due to its underperformance, as well as share the five (5) funds on the watch list. I found this to be very helpful, and it gave the larger group the opportunity to ask questions, to get answers on the annual performance review, and to provide input on communicating to our participants.

As a result of this extensive analytical work, and the conversation with employee group leaders, the University's next step will be to remove the TIAA Mid-Cap Value Fund from the available options under TIAA, effective July 1 2019.

Holly Williams will be reaching out to each of the 29 participants who have investments in the TIAA Mid-Cap Value Fund to explain steps that will need to be taken to transfer funds.

As an additional informational item, the following funds have been put on a watch list:

1. Calvert Balanced Fund
2. CREF Inflation-Linked Bond Fund
3. CREF Stock Fund
4. TIAA Real Estate Fund
5. TIAA-CREF Mid-Cap Growth Fund (Institutional)
6. Vanguard Mid-Cap Growth Fund (Investor Shares)

If you have any questions on this communication, please feel free to reach out to me at scobyj@ferris.edu or any of the Retirement Plan Performance Review Team listed below:

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