February 7, 2022

Dear employer representatives of the ORP and University of Tennessee 403(b) Plan,

There will be changes to the Optional Retirement Program (ORP) and 403(b) Plan that will benefit both the plan participants and the administrative personnel of the University of Tennessee (UT). Beginning September 1, 2022, the ORP and 403(b) Plans will consolidate to two active vendors, TIAA and Voya. Reducing the number of vendors will significantly lower costs and expand services for participants while easing administration for UT personnel.

The consolidation is the result of a plan services request for proposal (RFP) drafted and evaluated in partnership with the Tennessee Board of Regents and the University of Tennessee. As the winning respondents, TIAA and Voya will provide combined services for the ORP, TBR 403(b), and UT 403(b) Plans. Recordkeeping costs will be reduced by at least 70%, and each vendor will devote more licensed plan advisors to provide holistic one-on-one and group-based retirement plan education to your employees. Greater resources will be devoted to communications, web-based tools, and resources to help your participants plan and track progress toward retirement goals. Each vendor will be adding a new self-directed brokerage option and a voluntary, fee-based managed account service.

As a result of the vendor consolidation, AIG Retirement Services (formerly VALIC) will cease to be an active vendor in the ORP and 403(b) Plans, and Fidelity and Ameriprise will cease to be active vendors in the UT 403(b) Plan on or before September 1, 2022. Contributions to these vendors will not be allowed after that date. The Tennessee Department of Treasury, in coordination with the University of Tennessee, is working on a transition that will give existing AIG, Fidelity, and Ameriprise participants several months to learn about, voluntarily enroll with, and, if necessary, move assets to TIAA or Voya.

Active AIG participants who do not voluntarily change their enrollment and active and terminated participants with mutual fund platform assets that can be moved at plan sponsor direction will have their ORP and/or 403(b) accounts and assets transferred to TIAA on or before September 1, 2022. AIG participants with annuity assets that cannot be moved at plan direction will maintain those assets in accounts with AIG Retirement Services until moved at participant direction. These participants will maintain access to existing AIG plan account services.

Fidelity and Ameriprise participants must change their 403(b) Plan enrollment to TIAA or Voya before September 1, 2022 or have their 403(b) contributions discontinued. Fidelity and Ameriprise participants will maintain these assets accounts with these closed vendors until moved at participant direction. These participants will also maintain access to existing Fidelity and Ameriprise account services.
We will keep you well informed about all aspects of the transition process, and all participant communications related to the transition will be shared with you before they are sent. Virtual information sessions will be held on Thursday, February 24 and Tuesday, March 8 to provide the transition timeline, communications plan, and administrative procedures to payroll, benefits, and human resources staff, and allow ample time for questions. You should receive scheduling and Webex details about those information sessions shortly.

Thank you for your service to your institutions and the State of Tennessee, and for your continued partnership in providing excellent, low-cost retirement benefits to Tennessee’s higher education employees. If you have any questions, please do not hesitate to contact at 615-532-1183 or Hunter.Bethea@tn.gov.

Sincerely,

[Signature]

Hunter Bethea
Director of Deferred Compensation
Tennessee Department of Treasury