Greetings, Amherst faculty and staff.

We are pleased to share news about an upcoming enhancement of the College’s formula for core contributions to the Amherst College Defined Contribution Retirement Plan (403(b)). This change was included in the College’s fiscal year 2018 (FY18) operating budget proposal, which was recently approved by the Board of Trustees. It will go into effect on July 1, 2017, the beginning of FY18.

<table>
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<tr>
<th>Chart 1: COMPARISON OF CURRENT VS. FUTURE CORE RETIREMENT CONTRIBUTIONS</th>
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<td>CURRENT APPROACH (FY17 and Earlier)</td>
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<td>6.0% on the first $50,100 of annual wages</td>
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<tr>
<td>9.0% on all wages above $50,100</td>
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As a result of this change, the College’s total contribution to the 403(b) plan will increase by about $150,000 in FY18. Most of this will accrue to employees earning under $63,600, though everyone eligible to receive College 403(b) contributions will see an increase. Chart 2 illustrates individual annual increases in 403(b) contributions from the College corresponding to selected income levels:
The College’s dollar-for-dollar matching contribution on employee savings up to 3% remains in effect. Thus, everyone eligible to receive 403(b) contributions from the College has the potential to receive an additional 3% above the core contribution amounts presented in Chart 1. Under the future approach, then, eligible faculty and staff can receive 9.8% in retirement contributions from the College on earnings up to one-half of the federal Social Security wage cap, and 12.0% on earnings above this amount. As always, we continue to stress the importance of making personal contributions of at least 3% of your wages to your 403(b) plan to derive the full benefit from the Amherst College match.

The Benefits Committee would like to thank the Employee Council and the Committee on Priorities and Resources (CPR) for their support and hard work in analyzing the College’s 403(b) benefit. We appreciate their collaboration in this initiative on behalf of all faculty and staff.

Please do not hesitate to reach out to any of us if you have questions about this change to the College’s contributions to your 403(b) plan. We are happy to discuss with you and to answer any questions you might have.

Sincerely,

The Amherst College Benefits Committee:
Jim Brassard
Chris Casey
Jack Cheney
Maria-Judith Rodriguez
Lisa Rutherford
Kevin Weinman