

**Los Angeles Unified School District**  
 Division of Risk Management and Insurance Services  
*Benefits Administration*

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 Superintendent of Schools



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December 23, 2011

Dear Participant,

Effective on February 1, 2012, the Los Angeles Unified School District (LAUSD) will be changing the retirement services provider for the 457(b) Deferred Compensation Plan. As a result of this provider change, your current LAUSD 457(b) Deferred Compensation Plan account will be transferred from VALIC to CalSTRS who is partnering with TIAA-CREF for recordkeeping services.

**How your investments will be transferred from VALIC**

Your current payroll deduction will continue as scheduled. However, several funds on the current investment menu will be replaced and “mapped” (i.e. transferred) to new investment options offered through CalSTRS, with TIAA-CREF as record keeper. The chart below shows how your current assets and future contributions will be mapped from the current VALIC menu to similar investment options on the new menu at CalSTRS:

Mapping From VALIC Investment Menu		Mapping To New Investment Menu at CalSTRS	
Investment	Ticker Symbol	Investment	Ticker Symbol
American Century Heritage Inv	TWHIX	American Century Heritage Inv	TWHIX
American Funds Growth Fund of America R4	RGAEX	Vanguard Growth Index Signal*	VIGSX
Davis NY Venture A	NYVTX	American Funds Washington Mutual R6*	RWMGX
Dreyfus Bond Market Index Inv	DBMIX	Vanguard Total Bond Index Signal*	VBTSX
Fidelity Spartan 500 Index Inv	FUSEX	Vanguard 500 Index Signal*	VIFSX
Janus Perkins Mid Cap Value T	JMCSVX	Vanguard Mid-Cap Value Index*	VMVAX
VALIC Fixed Interest	N/A	TIAA Traditional Annuity RCP*	N/A
American Funds Euro Pacific Gr R4	REREX	American Funds Euro Pacific Gr R4	REREX
American Funds Fundamental Investors R4	RFNEX	American Funds Fundamental Investors R4	RFNEX
PIMCO Total Return Admin	PTRAX	PIMCO Total Return Admin	PTRAX
Vanguard Developed Markets Index Inv	VDMIX	Vanguard Developed Markets Index Inv	VDMIX
Vanguard Extended Market Index Inv	VEXMX	Vanguard Extended Market Index Signal	VEMSX
T Rowe Price Retirement Income Adv	PARIX	T Rowe Price Retirement Income Adv	PARIX
T Rowe Price Retirement 2010 Adv	PARAX	T Rowe Price Retirement 2010 Adv	PARAX
T Rowe Price Retirement 2020 Adv	PARBX	T Rowe Price Retirement 2020 Adv	PARBX
T Rowe Price Retirement 2030 Adv	PARCX	T Rowe Price Retirement 2030 Adv	PARCX
T Rowe Price Retirement 2040 Adv	PARDX	T Rowe Price Retirement 2040 Adv	PARDX
Dreyfus Cash Management Admin.	N/A	CREF Money Market Account*	N/A
Schwab PCRA**	N/A	TIAA-CREF Brokerage Services Account*	N/A

\* This is a new fund/account being added to the plan investment menu.

\*\* See reverse for additional information about this plan option and participant required action.

**Blackout period for all transactions during the transition of assets**

To ensure that all plan assets are accurately transmitted from VALIC to CalSTRS, the plan will establish what is known as a “**blackout period.**” During this time, your payroll contributions will continue to be withheld,

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although you will not be able to make certain account transactions, such as transfers, loans or withdrawals. The last date VALIC will accept a form to request such transactions is 1 p.m. (PST), January 17, 2012. The last date that VALIC will accept any requests by phone or online at [www.valic.com](http://www.valic.com) is 1 p.m. (PST), January 24, 2012.

The blackout period is scheduled to end no later than February 14, 2012; then all transactions can be requested through CalSTRS. You may want to review and consider the appropriateness of your current investments in light of your inability to direct or diversify your investments during this period.

The assets in your account will remain with VALIC until the valuation date, anticipated to be Tuesday, January 31, 2012, then transferred to CalSTRS on Wednesday, February 1, 2012 and reinvested based on the mapping instructions summarized above. It is expected that on February 1, 2012, any funds being replaced and mapped to new funds will be out of the market for one business day. CalSTRS and LAUSD are working with VALIC to minimize the amount of time out of the market. Investments in funds that will continue to be offered on the investment menu through CalSTRS will remain fully invested during this transition.

**Effective January 15, 2012, you can determine whether the blackout period has started or ended by calling CalSTRS at 888-200-4073 from 5 a.m. to 7 p.m., Monday through Friday, and Saturday from 6 a.m. to 3 p.m. (PST).**

### Next Steps

In mid-January, you will be automatically enrolled in the new investment program for the LAUSD 457(b) Deferred Compensation Plan. You will receive a confirmation letter from TIAA-CREF that includes the investment allocation information transferred from VALIC, as well as instructions for accessing the secure section of the Plan's dedicated website.

- **Beneficiary Information:** Your beneficiary information will **not** be transferred from VALIC. Your confirmation letter will include instructions for updating your beneficiary designation for your new account. If you do not provide a beneficiary designation, your "Estate" will be listed as your beneficiary until you make changes. **It is critical that you update your beneficiary information for your new account with CalSTRS to ensure your wishes are met in the event of your death.**
- **Outstanding loan with VALIC:** Your loan will be automatically transferred to CalSTRS no later than February 14, 2012. Prior to this date, you will receive detailed letter with instructions for updating your banking information to redirect your automatic loan repayments to CalSTRS. Please note that once your account has been transferred to CalSTRS, VALIC will no longer be able to accept your loan repayments. Therefore, you must provide banking information to ensure timely payments to your loan.
- **Investments through the Schwab PCRA Self-Directed Account:** You will need to return your TIAA-CREF Brokerage Services Account application and transfer form by December 23, 2011 to enable the transfer of your investments to the same fund choices, as available, in your new brokerage account. Please refer to the information sent to you earlier this month which provided information, instructions and forms on how to establish your new Brokerage Services Account. **If you do not establish a new account, LAUSD will instruct VALIC to sell your holdings and transfer the proceeds to TIAA Traditional Annuity RCP.**
- **Distributions from VALIC:** If you are currently receiving distributions from VALIC, during the week of January 16, 2012, you will receive additional information about continuing your distributions.

### Additional information

If you have any questions about the LAUSD 457(b) Deferred Compensation Plan, starting January 15, 2012 a dedicated phone center and website will be established as your ongoing resource for information about the Plan:

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- You can call 888-200-4073 from Monday to Friday, 5 a.m. to 7 p.m. and Saturday, 6 a.m. to 3 p.m. (PST)
- Or log on to <http://457b.lausd.net>—this website will replace the [www.myretirementmanager.com](http://www.myretirementmanager.com).

Retirement planning is important. LAUSD and CalSTRS are committed to providing the resources you need to plan for your future.

Sincerely,



*Janice J. Sawyer*  
**Director of Benefits Administration**