



## Important information regarding the 457(b) Deferred Compensation plan

December 2011

At the Los Angeles Unified School District (LAUSD), we're committed to offering you the best 457(b) Deferred Compensation Plan for your investment needs. Recently, we reviewed the existing 457(b) Deferred Compensation Plan to ensure it provides you with the competitive investment choices and services you need to achieve your savings goals.

As a result of this review, we are making important changes to the LAUSD 457(b) Deferred Compensation Plan on or about February 1, 2012. As of February 1, 2012, VALIC will no longer be the LAUSD 457(b) Deferred Compensation Plan Provider. The new plan provider will be CalSTRS. This change allows us to continue meeting retirement plan compliance regulations, keep plan costs competitive and provide you with high-quality investment choices and services. We are:

- **Introducing CalSTRS as the new LAUSD 457(b) Deferred Compensation Plan provider, partnering with TIAA-CREF for recordkeeping services.** This change will enable us to offer new investment options, streamline LAUSD 457(b) Plan administration and provide comprehensive retirement planning services.
- **Updating the investment menu.** We have modified the investment menu with 'best-in-class' funds offering a broad range of choices.
- **Encouraging all employees to enroll in the LAUSD 457(b) Deferred Compensation Plan.** The Plan is available to all active LAUSD employees. You are encouraged to take advantage of this plan to increase your savings for retirement.

### **New Investment Choices**

As part of the retirement plan review, we established a new investment menu with a range of carefully selected options. LAUSD will monitor the performance of all the investment options to ensure the menu continues to offer you competitively performing choices. You will also have the option of a Self-Directed Brokerage Account through TIAA-CREF with access to thousands of mutual funds for those who want additional investment choices.

## New Investment Menu effective February 1, 2012

Fund Name	Ticker	Fund Name	Ticker
American Century Heritage Inv	TWHIX	T Rowe Price Retirement 2040 Adv	PARDX
American Funds Fundamental Investors R4	RFNEX	Vanguard 500 Index*	VIFSX
American Funds Euro Pacific Gr R4	RREX	Vanguard Developed Markets Index Inv	VDMIX
American Funds Washington Mutual R6*	RWMGX	Vanguard Extended Market Index Signal	VEMSX
PIMCO Total Return Admin	PTRAX	Vanguard Growth Index Signal*	VIGSX
T Rowe Price Retirement Income Adv	PARIX	Vanguard Mid-Cap Value Index*	VMVAX
T Rowe Price Retirement 2010 Adv	PARAX	Vanguard Total Bond Index Signal*	VBTSX
T Rowe Price Retirement 2020 Adv	PARBX	TIAA Traditional Annuity RCP*	N/A
T Rowe Price Retirement 2030 Adv	PARCX	CREF Money Market Account*	N/A

\* Indicates new funds that will be added to the menu

### Additional Information

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

- Call (888) 200-4073 from Monday to Friday, 5:00 a.m. to 7:00 p.m. (PST) and Saturday from 6:00 a.m. to 3:00 p.m. (PST).
- Log on to <http://457b.lausd.net> – this website will replace the current VALIC website [www.myretirementmanager.com](http://www.myretirementmanager.com).

**If you are currently participating in the LAUSD 457(b) Deferred Compensation Plan, you will be receiving a separate mailing with specific information about the transition of your account from VALIC to CalSTRS. Please be sure to review the information carefully.**

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

Sincerely,

Benefits Administration