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HUMAN RESOURCES

**TO:** All USM Regular and Contingent Status Staff and Faculty Employees  
**FROM:** James E. Sansbury, Associate Vice Chancellor  
**DATE:** March 24, 2008  
**RE:** TIAA-CREF Lifecycle Funds in the Supplemental Retirement Accounts

A handwritten signature in blue ink, likely belonging to James E. Sansbury, the Associate Vice Chancellor mentioned in the "FROM" field.

I am pleased to inform you that the University System of Maryland (USM) is now able to provide the Lifecycle Funds available under the Supplemental Retirement Accounts (SRA) offered by **TIAA-CREF**.

The Lifecycle Funds offered by TIAA-CREF under the SRA became effective at the USM on March 20, 2008. If you are interested in this fund, you may contact a TIAA-CREF representative for further information or to make an appointment. In order to sign up for a Supplemental Retirement Account, please submit your enrollment and payroll deduction forms to your Institution's Benefits Coordinator.

Please note the attached letter from TIAA-CREF announcing the implementation of their Lifecycle Funds. The following bullets are found in the TIAA-CREF website: <http://enroll.tiaa-cref.org/marylandorp>

Lifecycle Funds offer:

- "One Decision" retirement strategy. Just select the fund that's closest to your expected year of retirement.
- Built-in Rebalancing: Each fund's investments automatically adjust from a more aggressive, **higher risk** to a more conservative, **lower risk** allocation as the target retirement date approaches.
- A managed, diversified portfolio: Each Lifecycle Fund provides a ready made diversified portfolio using TIAA-CREF mutual funds as underlying investments that include both equity and fixed income instruments.

The current plan vendors authorized to offer the Lifecycle Funds to USM employees are: TIAA-CREF, Fidelity Investments, and MD Supplemental Retirement Plans (MSRP - Nationwide).

Internal Revenue Code regulations allow you to defer a maximum of \$15,500 through each of the SRA plans (*contributions for 403(b) and 401(k) are combined*) from paychecks received in calendar year 2008. A higher maximum may be deferred based on age.

Remember that it is your responsibility to monitor your contributions to the SRA plans in order not to exceed the maximum established by the Internal Revenue Code. Your Institution's Benefits Coordinator can assist you in calculating the number of pay periods remaining in calendar year 2008 for payroll deduction purposes.

We encourage you to continue saving towards your retirement and to communicate regularly with your vendor. Should you have any questions, please contact your Institution's Benefits Coordinator.

cc:	Vice Chancellors Presidents SHRC Members ORP/SRA Plan Vendors	Benefits Coordinators W. Dale Hough – USM Payroll Robert Murphy – CPB Payroll Rosario I. van Daalen, HR-USMO
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## RETIREMENT PLAN ENHANCEMENTS FROM TIAA-CREF

March 2008

Dear University System of Maryland Employee,

The University System of Maryland is working closely with TIAA-CREF to bring some exciting enhancements to your retirement plan. You'll soon have available to you additional investment choices including TIAA-CREF Lifecycle Funds through the Supplemental Retirement Accounts 403(b) and 457(b) plans (Lifecycle Funds have been available already through the ORP); personalized advice and planning services; and a dedicated website putting your retirement savings plan information at your fingertips. These enhancements are designed to make it easier than ever for you to manage your retirement savings investments.

Highlights of the enhanced plan features include:

### **MORE FLEXIBLE INVESTMENT CHOICES**

- **One Decision Strategy** – Take a hands-free approach to managing your portfolio by choosing to invest in one of the TIAA-CREF Lifecycle Funds. These funds target your estimated retirement dates. All you do is select the fund closest to your estimated year of retirement. Each TIAA-CREF Lifecycle Fund starts with an asset allocation generally considered appropriate for investors at different stages of retirement planning. Each fund readjusts periodically to maintain an appropriate asset allocation for the remaining time horizon.
- **Build Your Own Portfolio Strategy** – For the more hands-on investor, tailor your long-term portfolio by choosing from a menu of investment choices, which now include these additional mutual funds:

TIAA-CREF Large-Cap Value Fund  
TIAA-CREF Mid-Cap Growth Fund  
TIAA-CREF Mid-Cap Value Fund  
TIAA-CREF Small-Cap Equity Fund  
TIAA-CREF Lifecycle Fund 2010  
TIAA-CREF Lifecycle Fund 2015  
TIAA-CREF Lifecycle Fund 2020  
TIAA-CREF Lifecycle Fund 2025  
TIAA-CREF Lifecycle Fund 2030  
TIAA-CREF Lifecycle Fund 2033  
TIAA-CREF Lifecycle Fund 2040  
TIAA-CREF Lifecycle Fund 2045  
TIAA-CREF Lifecycle Fund 2050  
American Funds EuroPacific Growth Fund  
American Funds Washington Mutual Investors Fund

*(over please)*

If you want to leave your investments as you currently have them, you don't need to take any action now. Even so, we encourage you to take this opportunity to review your investment strategy. In an ever-changing market, it is important to periodically review your portfolio allocation to ensure it is still consistent with your financial goals. Please keep in mind that there are risks when investing in any mutual fund, including TIAA-CREF Lifecycle Funds. Please review the prospectus before investing.

### **PLAN INFORMATION IS JUST CLICKS AWAY**

You have a dedicated website that is your customized online resource for tracking and managing your TIAA-CREF accounts. You will be able to visit the site any time from anywhere for information about TIAA-CREF and your investment choices, as well as access to retirement planning tools and more. The site also links you to the Maryland ORP/TIAA-CREF website <http://www.tiaa-cref.org/marylandorp>, where you can update your account, monitor account performance and sign up for e-delivery of account statements, transaction confirmations and other communications. You can rest assured that all your online transactions are handled in a secure environment.

### **ADVICE AND PLANNING SERVICES**

Personalized advice and planning services are now available to you for developing a plan to pursue your retirement income goal, or to find out if your current retirement planning strategy is on the right track.

If you have any questions, you can contact **800 TIAA-CREF (800 842-2273)** or alternatively you can set up a meeting with your Individual Consultant at <https://ais2.tiaa-cref.org/cgi-bin/WebObjects.exe/ARS>.

We are pleased to bring these plan enhancements to you. With these new investment choices, tools and other features, you should find it easy to customize a retirement portfolio that suits your unique needs.

Sincerely,



Jeff Overweg  
Managing Consultant, Institutional Relationships

**You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877 518-9161 or go to [www.tiaa-cref.org](http://www.tiaa-cref.org) for a prospectus that contains this and other information. Please read the prospectus carefully before investing.**

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