MSRP E-NEWS
AUGUST, 2007
MARYLAND TEACHERS & STATE EMPLOYEES SUPPLEMENTAL RETIREMENT PLANS

WELCOME TO OUR NEW CHAIRPERSON

The Board of Trustees and Staff of the
Maryland Teachers and State Employees Supplemental Retirement Plans
is pleased to welcome our new Chairperson,
The Honorable T. Eloise Foster.

We welcome Secretary Foster's return to the Board of Trustees for the Maryland Supplemental Retirement Plans (MSRP). "I am very grateful to rejoin this Board and contribute further to the long history of MSRP growth and improvements for the benefit of all Plan participants. It's an honor to be named Chairperson of such a dedicated Board and its Staff, and for such a successful program."

For over nine years, beginning in 1995, Ms. Foster served as a Member of the MSRP Board. In her return to the Board, Secretary Foster will serve as Chairperson, having been appointed by Governor O'Malley to replace long-time Chair Fred Puddester, who has left the Board to pursue new challenges.

Eloise Foster was the first African-American woman to serve as the chief budget officer of a state when she was appointed in 2000 to be Secretary of the Maryland Department of Budget and Management. Although she left the position in early 2003 to pursue other endeavors, in January 2007, she was nominated by Governor Martin O'Malley to return to State government and serve once again as Secretary of Budget and Management.

As Secretary, Ms. Foster serves as the chief fiscal advisor to the Governor and as the chief executive of the Department of Budget and Management. As such, she is responsible for the overall development and management of Maryland's $30 billion operating and $1.5 billion capital budget, personnel system for a workforce of 79,000 employees, a comprehensive employee benefits program for state employees and retirees, covering more than 205,000 lives, and information technology policies and systems for the state of Maryland.

Previously, Ms. Foster served as the Deputy Secretary and Assistant Secretary of the Department of Budget & Management as well as Assistant Dean for Business Affairs and Program Development at the University of Maryland School of Medicine. Earlier in her career she held positions in which she was responsible for legislative matters for the governor's office and the analysis of legislation for the Maryland General Assembly. Upon her retirement from State service in 2005, Ms. Foster established T. Eloise Foster & Associates, a consulting firm specializing in fiscal management and public policy issues.

Martin O'Malley, *Governor* • Anthony Brown, *Lieutenant Governor*

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DECISIONS, DECISIONS

By. Jeannie Henry

Each of us looks forward to retirement being a time in life where we can relax, enjoy, and spend each day the way we choose, hopefully without worry. To achieve this, careful planning is necessary long before retirement becomes a reality. An important part of this planning is deciding **how to invest** your retirement savings.

In February the Board of Trustees announced several new additions to the investment options of the Maryland Supplemental Retirement Plans (MSRP). Along with these options came the concept of investment "approaches" for accumulating retirement savings:

The Traditional Approach

With the traditional approach, you can create your own portfolio by selecting and adjusting funds according to your own risk tolerance. You create your portfolio by choosing from a variety of mutual funds. You'll need to rebalance your own investments and gradually change your overall strategy as you near retirement.

The Target Date Retirement Funds Approach

Target Date Retirement Funds are lifecycle funds, one-step portfolios where you select a target retirement date and the fund that matches the date is automatically adjusted over the years by a professional money manager.

Since the announcement of the new investment options Team MSRP representatives have conducted at least 400 Plan Enhancement Seminars in various State agencies. Approximately 25,000 MSRP participants have responded!! However, there are still approximately 20,000 participants who have not!

Many participants are using the Plan Enhancement seminars as an opportunity learn more about the investment options, review their portfolios, increase deferral amounts and update beneficiary designations. Non-participating employees have also attended the seminars as a way to learn about the plans in more detail before enrolling!

Left to right: Gisele Booth (Administrative Assistant, Howard County Circuit Court) Diana Liebno, (Deputy Clerk, Accounting Division, Howard County Circuit Court), Wayne Robey, (Chief Deputy Clerk, Howard County Circuit Court), Seated: Margaret Rappaport (Clerk of the Circuit Court, Howard County)

Gisele Booth, Administrative Assistant at the Circuit Court for Howard County, said the staff really appreciated Julia Graham, Field Representative with Team MSRP, coming out to the office and presenting the new investment options available. "It's a great help to have face-to-face contact with a representative to answer our questions and concerns."

Gisele believes that many people don't participate because they don't know about investing and they're afraid of choosing the wrong investment option. Having the Target Date Retirement Funds helps to take away some of the decisions about making the choices of diversifying retirement funds. Margaret Rappaport, Clerk of the Circuit Court for Howard County believes the Plan Enhancement seminar and one-on-one advice from a consultant is by far the best education tool, "When employees start to think of things like inflation and Social Security, the seminar can really open their eyes". Wayne Robey, Chief Deputy Clerk, said "With the way the Federal Government is being run they would be a fool to depend on Social Security".

With extended life expectancy and the average length of retirement increasing to 20, or even 30 years, you want to make sure you don't outlive your assets. You can't depend on your pension and social security alone to fund your retirement. You need to use personal savings and investments as well. And one of the most efficient ways to save is through the Maryland Supplemental Retirement Plans. It is important to evaluate your current retirement approach and ensure that you have selected the investment options that will help you reach your retirement goals.

DECISIONS, DECISIONS (CONTINUED)

Have YOU decided on your MSRP investment approach?

The Board of Trustees is requesting that all participants acknowledge that they are aware of the improved Traditional menu of investment options, and the newly added Target Date Retirement Funds.

You can respond in 3 ways:

•Paper– Complete a Participation Agreement
•Internet- www.MarylandDC.com
•Phone- 1-800-545-4730 to Team MSRP

Please Respond NOW!

Q&A WITH MSRP'S NEW FINANCE CHIEF, DEBBIE ROBERTS

By. Arvella Collins

On May 30, 2007 the Board and Staff of Maryland Supplemental Retirement Plans welcomed the new Director of Finance, Mrs. Debra L. Roberts, CPA.

MSRP recently spoke with Mrs. Roberts about her new role. Here is what she had to say.

Can you give a description of your background?
I graduated from the University of Maryland and received my Bachelors Degree in Management/Accounting. I am a licensed Certified Public Accountant and I am currently in pursuit of my Master's Degree in Finance. During my 20+ year career, I have had the pleasure working in Television Broadcasting, public accounting, and government/not for profit sectors. Needless to say, I have a broad and diverse Finance and Accounting background.

I understand you have held management positions at some interesting places. Care to tell us about them?
Prior to joining MSRP, I worked for the Department of Public Safety and Correctional Services, Division of Parole and Probation as the Chief Fiscal Officer. In addition, I am partner of a small insurance and accounting practice. Prior to establishing my own practice, I was employed as the Director of Finance and Administration for a local based not for profit organization, National Alliance to End Homelessness. The experience I gained during my career has given me the opportunity to lead organizations in performing at their highest level of integrity and financial accountability.

You have attended a couple of Board meetings since starting at MSRP, what impressed you most?
During my first meeting, I was very impressed with how well the board works with the staff at MSRP. I am looking forward to becoming more involved with the board and working with them as I monitor the plan administrator.

What are your goals as the new director of Finance for MSRP?
As I ponder my future with MSRP, my immediate goal is to learn as much about the organization and investment plans as possible. In this way, I will able to perform my core responsibilities in the most efficient and cost effective manner.

Are you a member of any societies or organizations? Currently I am a member of the Virginia Society for CPA's, Maryland Association for CPA's, American Institute for Certified Public Accountants and Government Finance Officers Association.

Finally, what are your hobbies or favorite things to do during your time off?
I truly enjoy spending time with my husband and children. I also enjoy playing tennis. Additionally, whenever possible, I spend a good deal of time fishing and enjoying quiet time near the ocean.

Thank you so much for taking the time to tell us about yourself. We welcome you to MRSP and wish you much success as the Director of Finance.

NEW ENROLLMENT SEMINAR HITS THE ROAD IN SEPTEMBER

New Enrollment Seminar Hits the Road in September

MSRP has developed a new seminar targeted to those state employees not enrolled in the plans because they were recently hired or never got around to it.

"Retirement Saving….It's a Smart Move!" covers:
Why saving is a smart move.
What's in it for you? (compounding, tax savings)
Can you afford it? (finding money, debt management)
Investing…you don't have to be an expert!
Enrolling…it's easy!
You can make changes!
The seminar takes 30 minutes and can be offered as a "Lunch and Learn Seminar"

Other "Lunch and Learn" 30 minute seminars in development include:
Investing and Withdrawal Strategies in Retirement
Investing for Women
Retirement Saving for the Sandwich Generation
Using the MarylandDC.com Website

Watch for more information about those in future newsletters and on our website, www.msrp.state.md.us.

EDUCATION "TO GO"

Have you attended one of our seminars recently? If not maybe its time to take advantage of these great educational opportunities.

To request any of these seminars at your location, talk to your benefit coordinator or send an email to lholcomb@msrp.state.md.us

Did you know that 81% of those employees who attended one of these on-site seminars gave it an excellent or very good rating?
20% said that they planned on enrolling as a result of attending a seminar.
41% said they would increase their contributions as a result of attending a seminar.

Retirement Saving….It's a Smart Move!
For those not enrolled, either because they are new employees or they never got around to it.
See description in previous article.
30 minutes

Financial Seminar 101
This detailed seminar explains the principles of investing, types of investments, types of risk, estate planning and retirement plans. It assists employees with locating, evaluating and understanding financial data. Specific topics can also be chosen.
5 hours (can be offered in split sessions to accommodate scheduling). Short version is 2 ½ hours. The seminar covers the three supplemental retirement plans. It focuses on the choices at retirement, catch-up, and distribution options.
1 hour

Continued on next page…

EDUCATION "TO GO" (CONTINUED)

Plan Enhancement Seminar (replaces the MSRP Investment Options Seminar)
Explores the two investment approaches available in the plans: the Traditional Approach where you select and manage funds on your own using the Spectrum of Investments and Asset Allocation models and the Targeted Retirement Funds Approach where you select target retirement/age based funds that are actively managed and rebalanced for you.
45 minutes

Informational Booth
This is a great opportunity for employees to ask individual questions concerning their plans. A field representative sets up a table in the agency and provides information on the plans. All discussions are done on a private, confidential basis. This is a helpful option when a specific time commitment may be challenging.
Time varies.

One on One Counseling
The sessions are designed to educate employees regarding the options available in the Maryland Supplements Retirement Plans, not to provide recommendations of which plan or investments options you should choose. We will discuss with you the importance of asset allocation and diversification in reducing risk, and will review you current portfolio with you. We will try to answer any questions you have about the plans, including: differences between the plans, how compounding helps you, how to read your statement, and options and requirements for withdrawing money from the plans. Enrollment assistance provided. Focuses on each participant's needs and concerns.
Appointments are 30 minutes

FULL-DAY FINANCIAL SEMINARS CONTINUE THROUGH THE FALL

In addition to the brief seminars above that are available at worksites, MSRP offers two different seminars that are full-day educational opportunities to delve into a range of financial issues at centrally located facilities around the state. Many employees who have participated in these seminars have commented that the information they learned was so crucial, they wish all employees were required to participate! 95-97% of participants who completed their evaluation forms gave them a high or very-high overall rating.

1. Personal Finance Seminar

This seminar provides information for State employees regarding their overall financial picture. We try to provide the employees with the basic tools of budgeting & insurance, an introduction to the State pension system, financial information from an outside financial representative and an in depth discussion of our plans from our staff and the NRS representatives. The seminar also provides the participant with an insight into basic investing and how to use this to better understand their supplemental retirement investment options. It is targeted for mid-career employees, 5-25 years of service.

The topics include:

- Budgeting, Debt Management, Identity Theft and Basic Insurance - Cooperative Extension Finance Staff
- Pension System - Maryland State Retirement Agency
- Basics of Investing - NRS Field Staff

Supplemental Retirement Plans - MSRP Staff

Continued on next page...

Dates for the fall are:

Friday, Sept. 28, 2007	Potomac Center, Hagerstown, MD
Thursday, Oct.11, 2007	Eastern Shore Hospital, Cambridge, MD
Monday, Oct. 22,2007	MDOT Headquarters, Hanover, MD
Tuesday, Nov. 6, 2007	State Center, Baltimore, MD
Friday, Nov. 16, 2007	Dept. of Agriculture, Annapolis MD
Wednesday, Dec. 12, 2007	Howard County Health Dept., Columbia , MD

Most sessions above have very limited seating remaining. Please consult www.msrp.state.md.us (Seminars tab) for availability before sending in your registration.

2. Regional Financial Workshops

This workshop grew out of the desire expressed by employees wanting to explore a more varied financial education. The workshops target those state employees that are not participating in the plans and those with 0-5 years of service.

The workshops provide a diverse education covering topics in the financial arena. Employees are provided with training on the basic tools of budgeting, insurance, the need for good credit, and how to use it to their benefit. The seminar also provides the participant with insight into basic investing and how to use this to better understand their supplemental retirement investment options. The subjects covered are:

Budgeting, Debt Management, Identity Theft & Basic Insurance - Cooperative Extension Financial Staff
Selecting Your Investments – Jeannie Henry, ChFC
Maryland Supplemental Retirement Plans – MSRP Financial Field Representative
Understanding Your Statement, Using the Website, Enrollment Assistance – NRS local representative

Dates for the fall are:

Monday, September 10, 2007	Dept. of Agriculture, Annapolis, MD
Wednesday, October 3, 2007	Dept. of Social Services, LaPlata, MD
Friday, October 19, 2007	Potomac Center, Hagerstown, MD
Monday, November 5, 2007	Howard County Health Dept., Columbia, MD
Wednesday, November 28, 2007	State Center, Baltimore, MD
Monday, December 3, 2007	Eastern Shore Hospital, Cambridge, MD

If you would like to attend a Personal Finance Seminar or a Regional Financial Workshop please verify with your supervisor that you may attend and send us your information **as soon as possible**. Please send the requested information to: personalfinance@msrp.state.md.us or fax it to Janet Wilt at 410-659-0349 **ONLY IF YOU DO NOT HAVE EMAIL**. You will receive a confirmation from our agency within 3 business days. If you do not hear back from us in that time frame please contact Janet Wilt at 1-800-543-5605 or 410-767-8742.

We need:
Your name
Agency you are employed by
Your email address
Your daytime phone number
How many years you have been with the State
Date & location of the workshop you plan to attend
If you require any special assistance for a disability

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