

# **Supplemental Retirement**

## **Frequently Asked Questions**

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### **Why would I need to invest more if I already have a retirement plan?**

You may not. Our retirement plan is outstanding. Your first step should be to learn what your retirement income may be from TRS or PSERS and Social Security. Then decide whether saving more might be a good idea. People decide to invest for different reasons – you may have a spouse with no retirement plan or perhaps you want to do a lot of traveling when you retire. Everyone's goals are different.

### **How do I determine how much to contribute?**

That will depend on your own retirement income goals. Know first what our retirement program will provide. Then, decide how much more income you may want and when you want to retire. This will enable you to calculate a "target" savings amount. How much you'll need to save will vary depending upon how you elect to invest your money.

### **When can I begin making contributions to the supplemental retirement plan?**

You can begin contributions as soon as you set-up your account and receive your first paycheck.

### **Will anyone help me make investment decisions?**

Yes. John Lamberth at VALIC is a professional financial advisor (not a salesman). He will meet with you personally and help you determine how much you should contribute if anything. He will assist you in choosing the right investment strategy and can answer your questions on an ongoing basis.

### **Is there a test I can take to determine if I am aggressive or conservative?**

Yes. John Lamberth has these risk assessment questionnaires

### **Is the money invested with pretax dollars?**

Yes

### **Will I receive quarterly or monthly statements?**

Yes

### **Can I lose money with this type of investing?**

Yes. Nearly all investments involve some risk

### **Will I incur penalties for early withdrawal?**

In most circumstances, yes. There are several situations however where you may move your money to subsequent accounts without penalty.

### **How often can I change my investment funds?**

As often as you'd like. Start, stop or change investments at your pleasure.

### **Can I take a hardship withdrawal of the funds invested?**

Supplemental retirement plans are *long term savings plans* designed to increase your retirement earnings. Early withdrawal will result in stiff penalties by the IRS. Early withdrawal of contributions in the case of "hardship" is limited. Contact the Payroll Office for specifics.

### **Is there a minimum amount I must invest?**

\$25.00 is the minimum monthly contribution

### **Who do I call if I have a problem or question?**

Call the VALIC representative, John Lamberth, if you need guidance.