

Human Resources Administration
401 Golden Shore, 4th Floor, Long Beach, CA 90802-4210
562-951-4411 / Fax 562-951-4954

www.calstate.edu

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Dear TSA Program Participant:

As a participant in the CSU TSA Program, you have made an important decision to save for your retirement. Setting aside a portion of your salary now will help you secure your retirement for the future.

The CSU is making important changes to the TSA Program which will take effect January 1, 2009. The restructured TSA Program will be easier to participate in, with a streamlined selection of quality investment choices.

To continue participating in the TSA Program after December 1, 2008 (the last day of the November pay period), you must re-enroll during the special enrollment period, which runs from November 3 through November 28, 2008.

What's Changing

Two important changes to the TSA Program will make overseeing your funds easier and will ensure that you have a robust, manageable selection of investment choices.

First, the CSU has selected AIG Retirement as the Master Administrator for the TSA Program. The Master Administrator will simplify your experience of investing in the program because it will provide you with a central place from which to direct your contributions and view your account balances. The CSU chose AIG Retirement as the Master Administrator based on the company's proven track record in that role, especially with other institutions of higher education. In addition, AIG Retirement has a well-established suite of technology tools to ensure a smooth experience for all participants.

The second important change is that the CSU has chosen five fund sponsors that will each offer you a broad range of quality investment options, as well as investor education tools and resources. The fund sponsors are:

- AIG Retirement: www.aigretirement.com/calstate
- Fidelity Investments: www.fidelity.com/atwork
- ING Life Insurance and Annuity Company: www.ingretirementplans.com
- MetLife: www.metlife.com/csu
- TIAA-CREF: www.tiaa-cref.org/csu

While we've streamlined the overall number of funds available to make investing easier, you will still have a wide array of funds in which to invest your savings.

CSU Campuses

Bakersfield
Channel Islands
Chico
Dominguez Hills
East Bay

Fresno
Fullerton
Humboldt
Long Beach
Los Angeles
Maritime Academy

Monterey Bay
Northridge
Pomona
Sacramento
San Bernardino
San Diego

San Francisco
San José
San Luis Obispo
San Marcos
Sonoma
Stanislaus

What You Need to Do

Your current TSA account(s) will be frozen as of December 1, 2008. This means that you will no longer be able to make payroll deductions to your current TSA account(s) after that date, but you can still continue to manage your funds and move the existing balances in your account(s) between funds of that fund sponsor.

To continue contributing to your TSA account as of January 1, 2009, you must re-enroll during the special enrollment period. If you re-enroll during this period, which ends November 28, your initial contribution to the restructured TSA Program will be processed for the December 2008 pay period and posted to your account(s) in January 2009.

If you don't re-enroll by November 28, you will not be able to do so until January 1, 2009.

There will be a blackout period November 29 through December 31, 2008, during which time no one will be able to re-enroll. If you re-enroll on or after January 1, 2009, your contributions will not resume until at least one month after you enroll.

If you don't re-enroll in the TSA Program, your active participation will end as of the November 2008 pay period.

Detailed enrollment instructions are included in the enclosed booklet. Before you enroll, be sure to read the booklet and the other enrollment packet inserts. Look closely at the fund sponsors and the investment choices they offer so you can decide how you would like to direct your contributions.

Transferring Your Current TSA Balance

After January 1, 2009, you'll be able to transfer your current TSA balances to the funds managed by the new TSA fund sponsors, if you wish, once you've re-enrolled in the program. Financial advisors can help you evaluate whether it's in your best interest to consolidate your balances. If it is, contact your current fund sponsor(s) for transfer instructions.

Where to Get More Information

Be sure to visit the TSA Program website at www.calstate.edu/hr/benefitsportal for more information, including a presentation and video message from the Chancellor about the TSA Program.

If you have additional questions, you can also contact your campus benefits representative.

We trust that you'll find the re-enrollment process easy to navigate and hope that you'll continue to participate in the TSA Program. You already know that saving is the best way to ensure a secure future; and now more than ever, the TSA Program gives you the opportunity to put the power of saving to work for you.

Sincerely,



Bruce Gibson
Senior Director, Benefits
Human Resources Administration

Enclosure