

2004 Annual Report

Tax-Sheltered Annuity 403(b) Program
University of Wisconsin
July 1, 2005



Human Resources Information Services
University of Wisconsin System Administration
5901 Research Park Blvd.
Madison, WI 53719

UNIVERSITY OF WISCONSIN TAX-SHELTERED ANNUITY PROGRAM

2004 ANNUAL REPORT

EXECUTIVE SUMMARY

The UW 403(b) Program in 2004 saw a slight reversal of patterns established in recent years. After two years of declining participation, there was a small gain. However, the number of participants under age 50 declined; increases in participation were only seen among employees age 50 and older. Total contributions to the plan increased substantially.

University employees contributed \$68 million to investments available under the Program, a 6.7% increase over 2003. Participation increased by slightly, from 11,633 to 11,671. Although 940 employees terminated employment (570) or discontinued contributions under the Program (370) in 2003, they were replaced by 947 employees who initiated TSA contributions in 2004. Probably the better market outlook in 2003 and 2004, together with more urgent public discussion of retirement finances, encouraged some employees to join the Program. Personal awareness of approaching retirement and, probably, increases in disposable income among older employees also played a part. We also sent out a targeted mailing to groups at three UW System campuses, which may have brought in additional employees to the Program.

Almost thirty-five percent of all permanent employees, and almost 44% of those between age 50 and 69, participated in the Program. Participation among faculty and academic staff of all ages was over 40%, compared to 25% for classified staff. A much smaller proportion of temporary employees – largely part-time graduate assistants and retired faculty – participated. The average age of all TSA participants was 49.6, compared to age 42.3 for all UW employees. Among faculty, academic staff, and classified employees, the average TSA participant was three to four years older than the average for all employees. Not surprisingly, both the average salary and years of service for TSA participants were substantially higher than the overall averages.

On average, participants contributed almost 10% of salary. However, there were marked differences among groups of contributors. Although the average TSA contribution was about \$5,800, 43% of participants contributed \$3,000 or less, and 57% contributed \$5,000 or less. Twenty-seven percent of participants contributed more than \$9,000, and 20%—an 82% increase over 2002—contributed more than \$11,000. The higher deferrals are explained by the new contribution limits under EGTRRA and by the aging of the participant population.

In July 2002, state tax law was amended to permit employees to contribute to both §403(b) and §457 deferred compensation retirement plans without offsets. Although not included in this report, 1,427 UW employees contributed \$10.3 million to Wisconsin Deferred Compensation Program accounts in 2004. The lion's share of WDC contributions – \$7.59 million – came from the 724 employees who also contributed to the UW TSA Program.

The dollar amounts contributed in 2004 were higher in each month than in the same month in any previous year. Mutual funds attracted 40% of contributions in 2004, the same as in 2003. TIAA-CREF received 42.3% of contributions (a 1.7% increase), other insurance companies 16.3%, and the WRS 1.4%. Participants age 35 and younger designated mutual funds for over 54% of their contributions, slightly less than in 2002 or 2003.

Accumulated assets increased by 10% in 2004, from \$1.158 billion to \$1.277 billion.

In another reversal of the pattern seen in the past several years, TSA participants in 2004 increased their exposure to large-cap funds and decreased investments in fixed annuities and money market funds. Large-cap stock funds attracted 41.2% of current contributions, as compared to 40% in 2003. They now make up 40.9% of plan assets compared to 40.5% in 2003. Fixed annuities and money market funds attracted 19.6% of current contributions and represent 29.7% of assets. Balanced funds, which include many lifestyle funds, increased by almost 18% to 9.44% of all contributions. Bond funds were somewhat less popular than in the past and account for only 6.2% of contributions and 4.3% of assets.

Sector funds, with the exception of technology funds, gained popularity slightly in 2004, and contributions to Real Estate funds increased by nearly \$500,000 from the previous year. Contributions to small-cap, mid-cap and international funds also increased slightly.

The UW TSA Program offers over 400 investment options. This variety ensures that employees are able to select the type of investment they want. However, most participants seem content with a much smaller number of choices. In 2004, the top ten funds accounted for more than 44% of all contributions, and the top 50 funds for more than 73% of contributions. One hundred sixty-nine funds attracted less than \$10,000 in contributions. Of these, 12 funds received no contributions at all.

In fall 2004, the TSA Review Committee approved a new annuity contract proposed by Lincoln National Life to replace its Multi-fund product. The new contract has a lower guaranteed interest rate, reflecting the current interest environment, but a shorter surrender period and an improved line of variable investment options. The TSARC also approved adding nine new mutual funds from TIAA-CREF to our fund line-up. A custodial and record-keeping agreement is under negotiation between System Administration staff and TIAA-CREF to implement these new offerings. It is expected that the funds will be available before the end of 2005.

The committee approved a proposed record-keeping agreement with Fidelity to implement its previous decision to have Fidelity offer loans. The loan provision is an important enhancement to the Program; it will be available this summer.

As part of our educational initiatives, program staff, company representatives, and TSARC members participated in approximately 30 campus presentations, reaching almost 900 employees, as well as three benefits fairs. TSA Review Committee members Kevin Bahr, Bob Carney, Ron Crabb, Kate Kelley, Dick Marcus, and Lori Worm volunteered their time to coordinate or participate in campus workshops. Benefits staff at the campuses made numerous presentations and facilitated appearances by guests. Our authorized vendors, in particular TIAA-CREF, continued to offer very popular individual counseling sessions, reaching over 800 employees at all campuses, including many of the two-year institutions.

Fidelity implemented an on-line enrollment package for the UW 403(b) plan. TIAA-CREF had previously begun offering on-line enrollment. Several other companies make their account applications available for printing on our site.

All WRS-eligible employees were mailed copies of the Spring and Fall 2004 issues of the *TSA Inve\$tor*. All employees, including most student hourlies, received a reminder about the TSA Program on at least one pay statement. Education will continue to be a major concern of Program staff and the TSARC in the coming year.

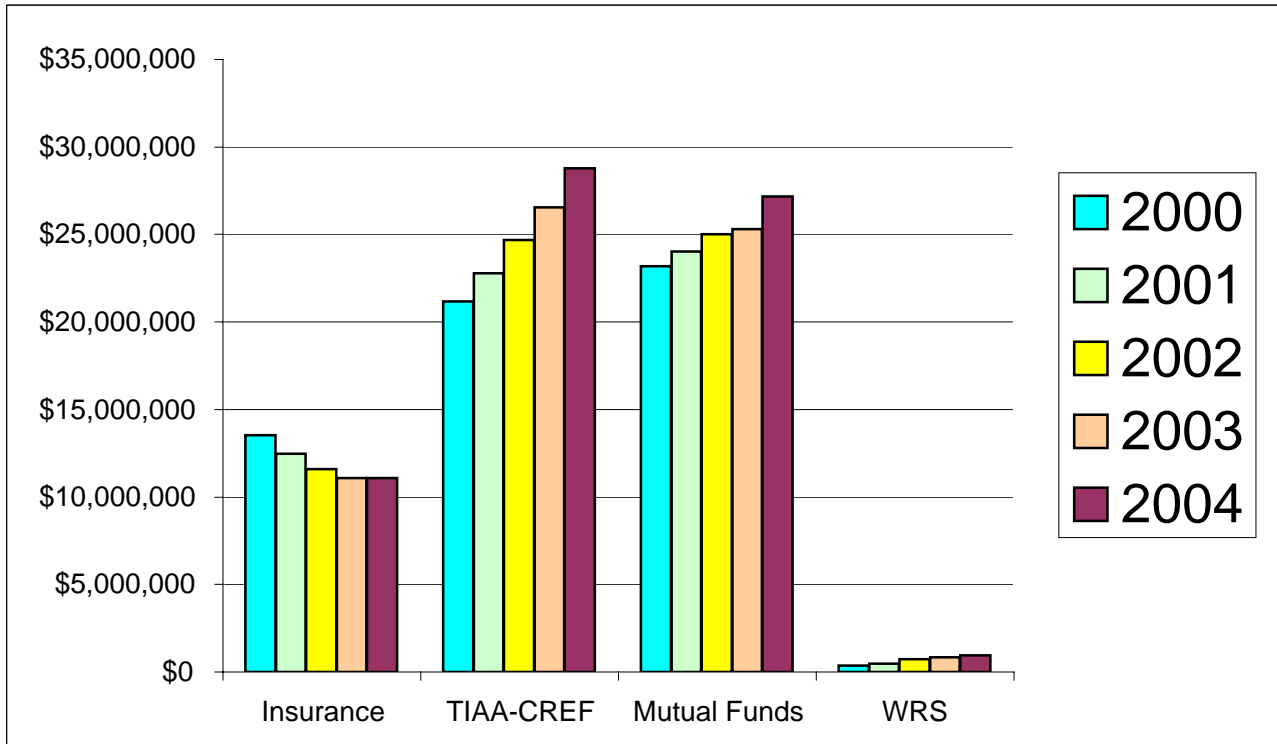
2002-2004 PLAN ASSETS AND ANNUAL CONTRIBUTIONS BY VENDOR

TOTAL ASSETS (Vendor Reported)

ANNUAL CONTRIBUTIONS (UW Payroll Records)

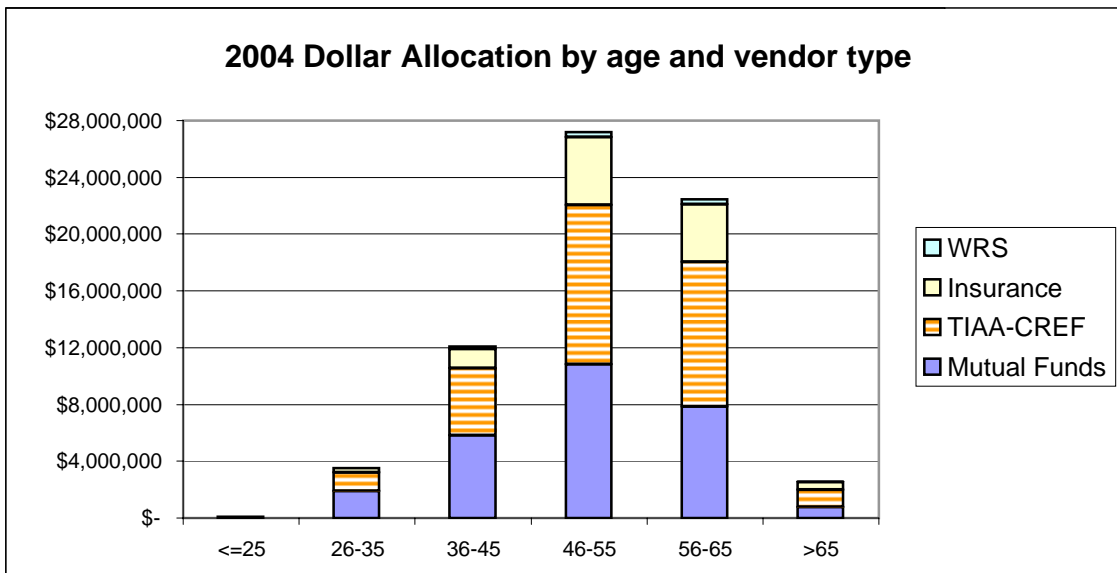
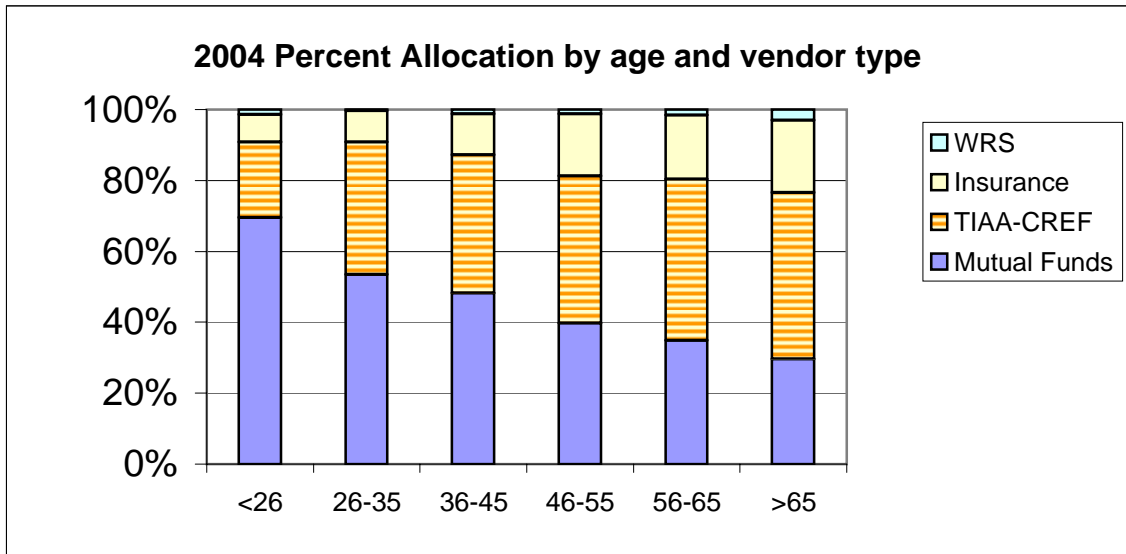
| | TOTAL ASSETS (Vendor Reported) | | | ANNUAL CONTRIBUTIONS (UW Payroll Records) | | | |
|------------------------------|--------------------------------|---------------------|-------------------|---|----------------------|------------------|------------------|
| | 2004 | 2003 | 2002 | 2004 | 2004 - Vendor Report | 2003 | 2002 |
| INSURANCE | | | | | | | |
| AULIC | \$ 18,944,113.41 | \$ 18,434,297.76 | \$ 16,160,931.98 | \$ 746,910.85 | \$ 1,013,048.58 | \$ 777,208.89 | \$ 794,909.69 |
| IDS | \$ 71,183,261.41 | \$ 67,553,198.97 | \$ 55,848,689.87 | \$ 5,526,498.26 | \$ 4,830,848.59 | \$ 5,343,467.63 | \$ 5,598,228.87 |
| LINCOLN | \$ 161,141,665.00 | \$ 143,020,290.32 | \$ 125,349,487.82 | \$ 4,807,742.96 | \$ 6,977,920.00 | \$ 4,949,657.83 | \$ 5,205,772.39 |
| TIAA-CREF | \$ 573,485,586.00 | \$ 512,753,507.18 | \$ 426,140,964.00 | \$ 28,782,327.79 | \$ 28,794,086.00 | \$ 26,535,832.23 | \$ 24,671,510.50 |
| Sub-Total | \$ 824,754,625.82 | \$ 741,761,294.23 | \$ 623,500,073.67 | \$ 39,863,479.86 | \$ 41,615,903.17 | \$ 37,606,166.58 | \$ 36,270,421.45 |
| | | | | | | | |
| WRS FIXED | \$ 16,215,632.00 | \$ 18,110,435.00 | \$ 21,098,552.00 | \$ 898,231.76 | \$ 754,057.00 | \$ 745,426.80 | \$ 627,201.60 |
| WRS VARIABLE | \$ 6,856,367.00 | \$ 10,487,657.00 | \$ 11,475,370.00 | \$ 44,568.00 | \$ 82,990.00 | \$ 82,438.02 | \$ 88,124.00 |
| Sub-Total | \$ 23,071,999.00 | \$ 28,598,092.00 | \$ 32,573,922.00 | \$ 942,799.76 | \$ 837,047.00 | \$ 827,864.82 | \$ 715,325.60 |
| MUTUAL FUNDS | | | | | | | |
| DREYFUS | \$ 6,022,179.71 | \$ 5,464,611.35 | \$ 4,418,629.64 | \$ 496,158.55 | \$ 642,376.24 | \$ 479,600.09 | \$ 527,976.13 |
| FIDELITY | \$ 318,093,560.19 | \$ 284,462,674.32 | \$ 221,494,255.62 | \$ 18,300,712.60 | \$ 19,444,843.10 | \$ 16,828,884.38 | \$ 16,606,609.19 |
| SCUDDER | \$ 8,275,412.99 | \$ 7,346,687.17 | \$ 5,766,401.95 | \$ 502,279.70 | \$ 516,089.77 | \$ 500,208.35 | \$ 517,479.35 |
| STRONG | \$ 15,385,730.02 | \$ 15,472,812.66 | \$ 14,355,505.82 | \$ 1,648,870.62 | \$ 1,662,083.30 | \$ 2,365,719.62 | \$ 2,568,762.32 |
| T ROWE PRICE | \$ 81,716,657.20 | \$ 74,805,033.14 | \$ 54,379,033.33 | \$ 6,237,431.01 | \$ 5,660,419.90 | \$ 5,119,496.72 | \$ 4,778,035.99 |
| Sub-Total | \$ 429,493,540.11 | \$ 387,551,818.64 | \$ 300,413,826.36 | \$ 27,185,452.48 | \$ 27,925,812.31 | \$ 25,293,909.16 | \$ 24,998,862.98 |
| TOTAL | | | | | | | |
| | \$ 1,277,320,164.93 | \$ 1,157,911,204.87 | \$ 956,487,822.03 | \$ 67,991,732.10 | \$ 70,378,762.48 | \$ 63,727,940.56 | \$ 61,984,610.03 |
| GRANDFATHERED VENDORS | | | | | | | |
| AETNA | | | | | | | |
| EQUITABLE OF IOWA | | | | | | \$ 480.00 | \$ 720.00 |
| GREAT AMERICAN LIFE | | | | | | | \$ 7,464.00 |
| LUTHERAN BROTHERHOOD | | | | | | | |
| METROPOLITAN LIFE | | | | | | | \$ 800.00 |
| Sub-Total | | | | | | | \$ 8,984.00 |
| GRAND TOTAL | | | | | | | |
| | \$ 1,277,320,164.93 | \$ 1,157,911,204.87 | \$ 956,487,822.03 | \$ 67,991,732.10 | \$ 70,378,762.48 | \$ 63,728,420.56 | \$ 61,993,594.03 |

Annual Contributions by Vendor Type - 2000-2004



| | 2000 | 2001 | 2002 | 2003 | 2004 |
|--------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Insurance | \$ 13,514,690.14 | \$ 12,477,205.64 | \$ 11,607,894.95 | \$ 11,070,814.35 | \$ 11,081,152.07 |
| TIAA-CREF | \$ 21,177,054.09 | \$ 22,791,623.74 | \$ 24,671,510.50 | \$ 26,535,832.23 | \$ 28,782,327.79 |
| Mutual Funds | \$ 23,179,324.42 | \$ 24,035,932.66 | \$ 24,998,862.98 | \$ 25,293,909.16 | \$ 27,185,452.48 |
| WRS | \$ 372,437.88 | \$ 471,940.02 | \$ 715,325.60 | \$ 827,864.82 | \$ 942,799.76 |
| | \$ 58,243,506.53 | \$ 59,776,702.06 | \$ 61,993,594.03 | \$ 63,728,420.56 | \$ 67,991,732.10 |

Source: UW Payroll records

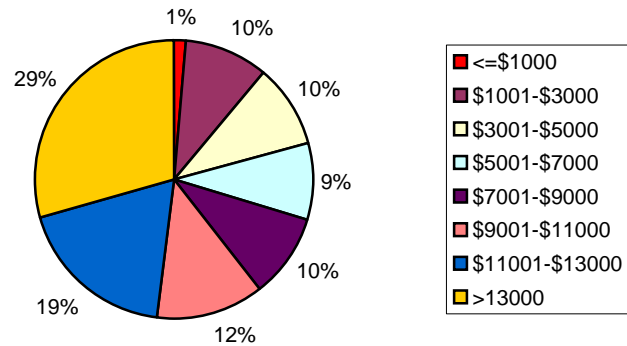


| | <=25 | 26-35 | 36-45 | 46-55 | 56-65 | >65 | Total |
|--------------|----------------|-----------------|------------------|------------------|------------------|-----------------|------------------|
| Mutual Funds | 70,338.82 | 1,878,392.85 | 5,816,878.39 | 10,814,657.88 | 7,823,634.88 | 767,344.66 | 27,171,247.48 |
| TIAA-CREF | 21,496.00 | 1,315,643.51 | 4,711,437.55 | 11,244,282.04 | 10,228,052.97 | 1,213,315.80 | 28,734,227.87 |
| Insurance | 7,902.00 | 305,049.26 | 1,397,351.24 | 4,788,580.04 | 4,057,313.37 | 525,926.16 | 11,082,122.07 |
| WRS | 1,500.00 | 15,811.75 | 159,074.87 | 332,287.19 | 354,625.96 | 79,499.99 | 942,799.76 |
| \$ | 101,236.82 | \$ 3,514,897.37 | \$ 12,084,742.05 | \$ 27,179,807.15 | \$ 22,463,627.18 | \$ 2,586,086.61 | \$ 67,930,397.18 |
| N = | 78 | 1,310 | 2,972 | 5,114 | 3,326 | 317 | 13,117 |
| 2003 Totals | \$ 75,493.65 | \$ 3,466,976.52 | \$ 11,681,603.80 | \$ 25,959,960.56 | \$ 20,301,922.97 | \$ 2,242,463.06 | \$ 63,728,420.56 |
| N = | 67 | 1,309 | 3,043 | 5,222 | 3,195 | 296 | 13,132 |
| 2002 totals | \$ 87,760.66 | \$ 3,535,858.53 | \$ 12,024,634.86 | \$ 25,897,133.88 | \$ 18,454,923.07 | \$ 1,985,726.95 | \$ 61,973,770.94 |
| N= | 88 | 1,378 | 3,215 | 5,556 | 3,063 | 291 | 13,591 |

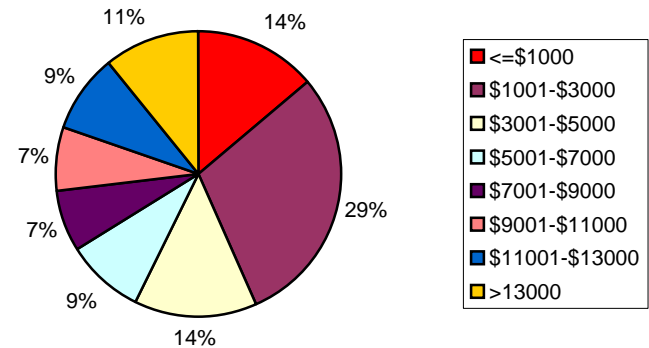
Note: Some participants have more than one vendor.

Source: UW Payroll records

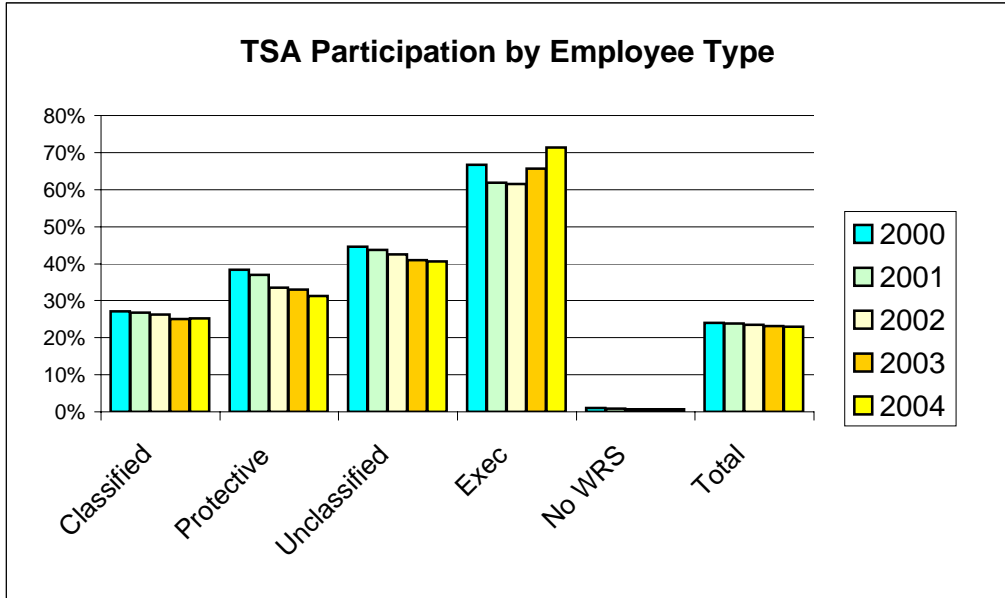
2004 Contributions by Size of Deferral



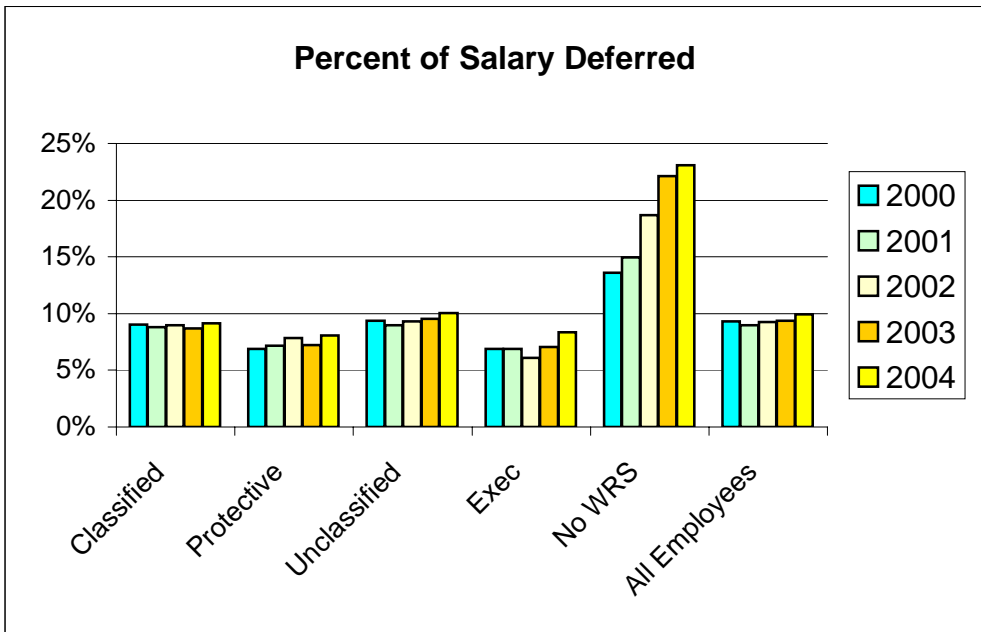
2004 Participants by Size of Deferral



| | Contributions | | | Number of Contributors | | |
|-----------------|----------------------|----------------------|----------------------|------------------------|---------------|---------------|
| | 2002 | 2003 | 2004 | 2002 | 2003 | 2004 |
| <=\$1000 | \$ 949,317 | \$ 937,293 | \$ 938,220 | 1,604 | 1,580 | 1,606 |
| \$1001-\$3000 | \$ 7,043,496 | \$ 6,723,708 | \$ 6,597,321 | 3,698 | 3,509 | 3,436 |
| \$3001-\$5000 | \$ 7,119,702 | \$ 6,842,978 | \$ 6,648,217 | 1,764 | 1,695 | 1,642 |
| \$5001-\$7000 | \$ 6,644,102 | \$ 6,263,919 | \$ 5,955,554 | 1,120 | 1,058 | 1,013 |
| \$7001-\$9000 | \$ 7,118,276 | \$ 6,547,580 | \$ 6,618,616 | 890 | 817 | 825 |
| \$9001-\$11000 | \$ 16,442,694 | \$ 10,429,985 | \$ 8,433,796 | 1,594 | 1,022 | 831 |
| \$11001-\$13000 | \$ 10,687,609 | \$ 11,190,369 | \$ 12,801,966 | 889 | 930 | 1,035 |
| >13000 | \$ 5,820,818 | \$ 14,648,479 | \$ 19,913,941 | 408 | 1,012 | 1,275 |
| Total | \$ 61,826,014 | \$ 63,584,311 | \$ 67,907,631 | 11,967 | 11,623 | 11,663 |
| Average | \$ 5,319 | \$ 5,452 | \$ 5,824 | | | |
| Median | \$ 3,612 | \$ 3,900 | \$ 3,900 | | | |



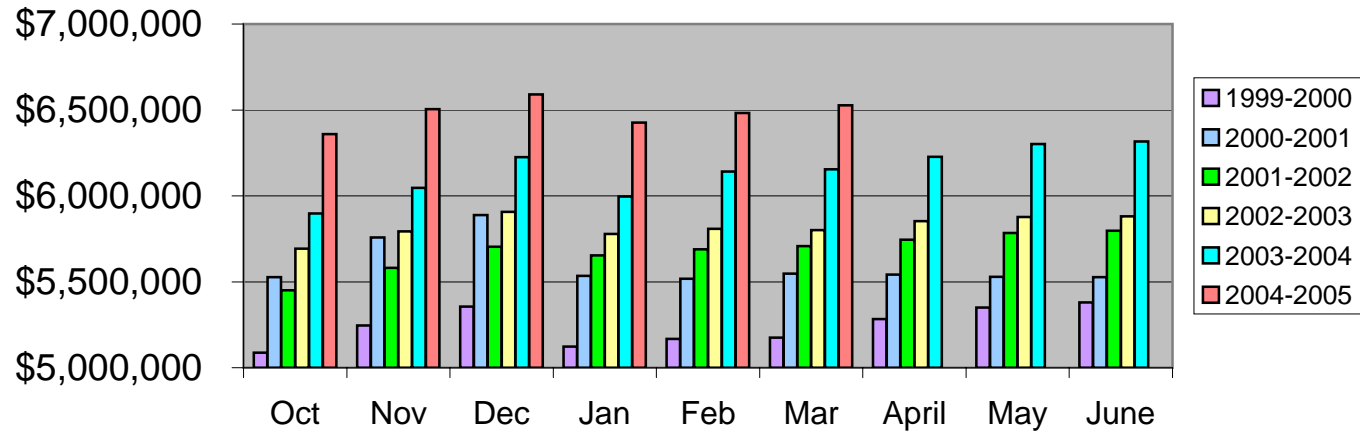
| | Classified | Protective | Unclassified | Exec | No WRS | Total | N |
|------|------------|------------|--------------|--------|--------|--------|--------|
| 2000 | 27.21% | 38.32% | 44.61% | 66.67% | 1.12% | 24.10% | 50,595 |
| 2001 | 26.84% | 36.90% | 43.66% | 61.90% | 0.95% | 23.85% | 51,147 |
| 2002 | 26.23% | 33.52% | 42.49% | 61.54% | 0.76% | 23.55% | 50,889 |
| 2003 | 25.10% | 32.97% | 41.02% | 65.70% | 0.65% | 23.21% | 50,133 |
| 2004 | 25.27% | 31.32% | 40.54% | 71.43% | 0.69% | 22.95% | 50,850 |



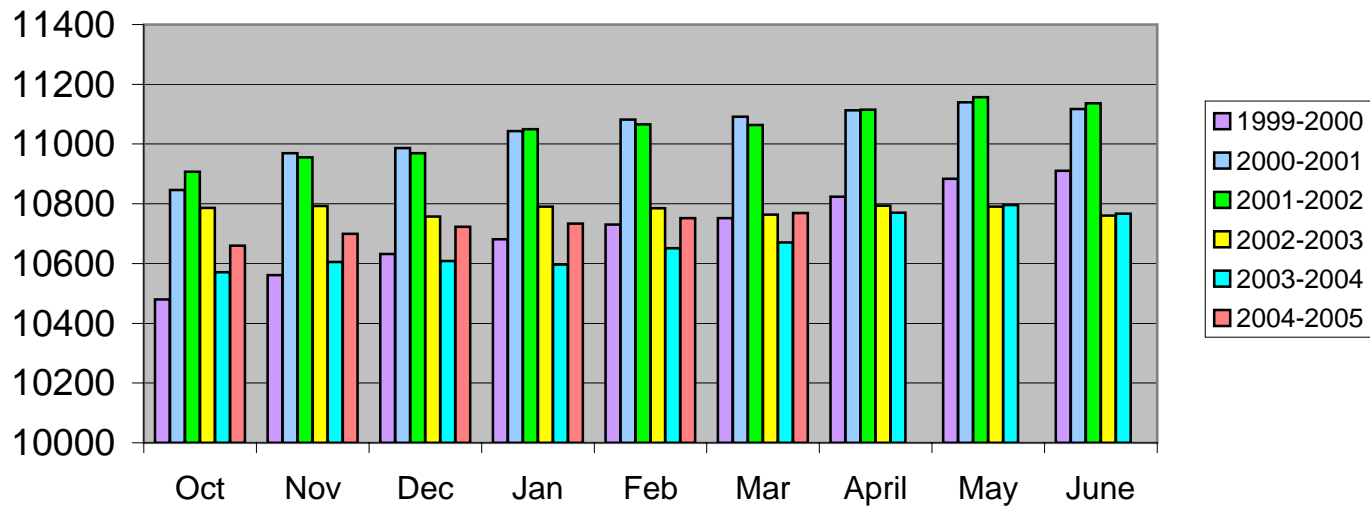
| | Classified | Protective | Unclassified | Exec | No WRS | All Employees |
|------|------------|------------|--------------|-------|--------|---------------|
| 2000 | 9.00% | 6.89% | 9.38% | 6.86% | 13.59% | 9.32% |
| 2001 | 8.78% | 7.19% | 9.00% | 6.90% | 14.97% | 8.97% |
| 2002 | 8.98% | 7.83% | 9.30% | 6.09% | 18.71% | 9.26% |
| 2003 | 8.70% | 7.23% | 9.52% | 7.08% | 22.11% | 9.39% |
| 2004 | 9.17% | 8.08% | 10.07% | 8.33% | 23.09% | 9.93% |

Source: UW Payroll records

TSA Contributions by Month, 1999-2004



TSA Contributors by Month, 1999-2004



2004 UW TSA Program Participation by Unit and Age

WRS-Covered Employees Only

| | <u><20</u> | <u>20-29</u> | <u>30-39</u> | <u>40-49</u> | <u>50-59</u> | <u>60-69</u> | <u>70-79</u> | <u>80+</u> | <u>Total</u> | <u>All WRS Employees</u> | <u>2004 Percent</u> | <u>2003 Percent</u> | <u>2002 Percent</u> |
|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|--------------|--------------------------|---------------------|---------------------|---------------------|
| Madison | | 143 | 889 | 1724 | 2221 | 647 | 49 | | 5,673 | 16,021 | 35.41% | 36.03% | 37.29% |
| Milwaukee | | 22 | 175 | 332 | 453 | 155 | 11 | | 1,148 | 3,523 | 32.59% | 32.15% | 33.18% |
| Eau Claire | | 8 | 77 | 151 | 234 | 61 | | | 531 | 1,331 | 39.89% | 37.87% | 40.35% |
| Green Bay | | 11 | 48 | 68 | 103 | 25 | 2 | | 257 | 694 | 37.03% | 35.45% | 36.60% |
| La Crosse | | 11 | 68 | 126 | 191 | 44 | 1 | | 441 | 1,101 | 40.05% | 39.60% | 40.27% |
| Oshkosh | | 10 | 71 | 129 | 208 | 71 | 1 | | 490 | 1,529 | 32.05% | 31.09% | 32.97% |
| Parkside | | 6 | 26 | 59 | 83 | 29 | | | 203 | 638 | 31.82% | 30.21% | 30.10% |
| Platteville | | 11 | 43 | 71 | 101 | 40 | 1 | | 267 | 887 | 30.10% | 28.72% | 30.97% |
| River Falls | | 7 | 44 | 65 | 122 | 26 | 2 | | 266 | 755 | 35.23% | 35.39% | 36.25% |
| Stevens Point | | 4 | 64 | 113 | 198 | 82 | 2 | | 463 | 1,191 | 38.87% | 38.90% | 40.40% |
| Stout | | 9 | 47 | 93 | 158 | 46 | 3 | | 356 | 1,155 | 30.82% | 31.22% | 30.73% |
| Superior | | 4 | 22 | 41 | 54 | 20 | 1 | | 142 | 444 | 31.98% | 32.72% | 34.26% |
| Whitewater | | 11 | 52 | 90 | 178 | 64 | 2 | | 397 | 1,161 | 34.19% | 34.33% | 35.57% |
| Colleges | | 8 | 37 | 65 | 128 | 55 | 1 | | 294 | 1,167 | 25.19% | 29.95% | 31.11% |
| Extension | | 18 | 74 | 148 | 233 | 28 | 1 | | 502 | 1,371 | 36.62% | 36.52% | 38.70% |
| System | | 2 | 15 | 20 | 34 | 9 | | | 80 | 156 | 51.28% | 49.38% | 53.25% |
| System-wide | | 1 | 7 | 13 | 15 | 3 | | | 39 | 84 | 46.43% | 41.76% | 50.70% |
| | 0 | 286 | 1759 | 3308 | 4714 | 1405 | 77 | | 11,549 | 33,208 | 34.78% | 34.98% | 36.26% |

Participation by Age

| <u>Age</u> | <u><20</u> | <u>20-29</u> | <u>30-39</u> | <u>40-49</u> | <u>50-59</u> | <u>60-69</u> | <u>70-79</u> | <u>80+</u> | <u>Unknown</u> | <u>2004 Total</u> | <u>2003 Total</u> | <u>2002 Total</u> |
|--------------------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|----------------|-------------------|-------------------|-------------------|
| TSA Participants | 0 | 286 | 1759 | 3308 | 4714 | 1405 | 77 | 0 | 0 | 11,549 | 11,518 | 11,845 |
| All WRS Employees | 22 | 2,932 | 6,634 | 9,369 | 10,717 | 3,246 | 275 | 13 | 0 | 33,208 | 32,932 | 32,665 |
| Percent | 0.00% | 9.75% | 26.51% | 35.31% | 43.99% | 43.28% | 28.00% | 0.00% | 0.00% | 34.78% | 34.98% | 36.26% |

Source: UW Payroll records

PARTICIPANT CHARACTERISTICS 2000-2004

NUMBER

| | Unclassified | | Executives | | Classified | | Protectives | | No WRS | | Total | |
|------|--------------|----------|------------|----------|------------|----------|-------------|----------|-----------|----------|-----------|----------|
| | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. |
| 2000 | 8,523 | 19,104 | 24 | 36 | 3,372 | 12,392 | 64 | 167 | 212 | 18896 | 12,195 | 50,595 |
| 2001 | 8,580 | 19,658 | 26 | 42 | 3,348 | 12,472 | 62 | 168 | 179 | 18807 | 12,195 | 51,147 |
| 2002 | 8,496 | 19,996 | 24 | 39 | 3,267 | 12,454 | 59 | 176 | 137 | 18224 | 11,983 | 50,889 |
| 2003 | 8,317 | 20,283 | 24 | 36 | 3,120 | 12,431 | 60 | 182 | 112 | 17201 | 11,633 | 50,133 |
| 2004 | 8,309 | 20,496 | 25 | 35 | 3,158 | 12,495 | 57 | 182 | 122 | 17642 | 11,671 | 50,850 |

AVERAGE SALARY

| | Unclassified | | Executives | | Classified | | Protectives | | No WRS | | Total | |
|------|--------------|-----------|------------|------------|------------|-----------|-------------|-----------|-----------|----------|-----------|-----------|
| | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. |
| 2000 | \$ 59,351 | \$ 46,998 | \$137,453 | \$ 135,344 | \$ 32,424 | \$ 24,743 | \$ 45,349 | \$ 39,538 | \$ 19,268 | \$ 4,458 | \$ 51,299 | \$ 26,995 |
| 2001 | \$ 62,266 | \$ 49,086 | \$127,818 | \$ 129,209 | \$ 34,598 | \$ 26,233 | \$ 50,931 | \$ 43,099 | \$ 20,339 | \$ 4,125 | \$ 54,170 | \$ 29,176 |
| 2002 | \$ 64,219 | \$ 50,594 | \$149,742 | \$ 143,768 | \$ 35,189 | \$ 26,815 | \$ 51,013 | \$ 43,551 | \$ 19,611 | \$ 4,276 | \$ 55,949 | \$ 30,545 |
| 2003 | \$ 66,468 | \$ 51,774 | \$161,895 | \$ 160,550 | \$ 38,351 | \$ 29,050 | \$ 54,691 | \$ 46,652 | \$ 19,786 | \$ 4,589 | \$ 58,838 | \$ 32,313 |
| 2004 | \$ 66,835 | \$ 52,121 | \$163,099 | \$ 161,202 | \$ 38,932 | \$ 29,067 | \$ 54,625 | \$ 45,829 | \$ 16,271 | \$ 4,602 | \$ 59,009 | \$ 29,617 |

AVERAGE AGE

| | Unclassified | | Executives | | Classified | | Protectives | | No WRS | | Total | |
|------|--------------|----------|------------|----------|------------|----------|-------------|----------|-----------|----------|-----------|----------|
| | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. | TSA Part. | All Emp. |
| 2000 | 48.3 | 45.4 | 57.2 | 56.4 | 48.2 | 45.5 | 40.6 | 37.6 | 45.0 | 35.7 | 48.2 | 42.2 |
| 2001 | 48.3 | 45.4 | 57.7 | 56.8 | 48.5 | 45.6 | 39.6 | 37.9 | 46.1 | 36.4 | 48.3 | 42.7 |
| 2002 | 48.6 | 45.5 | 57.0 | 57.1 | 48.8 | 46.0 | 39.5 | 37.9 | 49.1 | 36.5 | 48.6 | 43.0 |
| 2003 | 48.9 | 45.8 | 57.1 | 57.2 | 49.3 | 46.3 | 38.9 | 38.0 | 46.7 | 36.7 | 48.9 | 43.4 |
| 2004 | 49.1 | 45.9 | 58.1 | 58.1 | 49.5 | 46.6 | 39.4 | 37.9 | 44.0 | 34.3 | 49.2 | 42.1 |

NOTE: 2000 salaries are understated because 1999 unclassified staff salary increases were delayed until March, 2000.

Changes in Participation, 2000-2004

| | | Unclasi- fied | Execu- tives | Classi- fied | Protec- tives | No WRS | Total | All Employees in Group | Percent with TSA | |
|----------------------------------|------|------------------|-----------------|-----------------|------------------|--------|-------|------------------------------|---------------------|------------------|
| Terminated employment | 2000 | (430) | (2) | (162) | (1) | (63) | (658) | 2,630 | -22.6% | WRS-covered only |
| | 2001 | (502) | (1) | (192) | (6) | (57) | (758) | 2,929 | -23.9% | WRS-covered only |
| | 2002 | (451) | (4) | (144) | (3) | (61) | (663) | 2,721 | -22.1% | WRS-covered only |
| | 2003 | (406) | (3) | (152) | (3) | (46) | (610) | 2,515 | -22.4% | WRS-covered only |
| | 2004 | (415) | (1) | (120) | (3) | (31) | (570) | 2,621 | -20.6% | WRS-covered only |
| Discontinued TSA | 2000 | (205) | - | (92) | (1) | (17) | (315) | 11,715 | -2.7% | |
| | 2001 | (247) | (2) | (106) | (1) | (13) | (369) | 12,195 | -3.0% | |
| | 2002 | (273) | (1) | (141) | (3) | (10) | (428) | 12,195 | -3.5% | |
| | 2003 | (332) | (2) | (149) | (2) | (12) | (497) | 11,983 | -4.1% | |
| | 2004 | (264) | - | (98) | (2) | (6) | (370) | 11,633 | -3.2% | |
| Added TSA (new hire) | 2000 | 239 | 1 | 68 | - | 39 | 347 | 2,625 | 13.2% | |
| | 2001 | 216 | 3 | 44 | 2 | 31 | 296 | 2,585 | 11.5% | |
| | 2002 | 135 | 2 | 24 | 1 | 19 | 181 | 2,109 | 8.6% | |
| | 2003 | 136 | - | 23 | 1 | 16 | 176 | 1,962 | 9.0% | |
| | 2004 | | | | | | | | | |
| Added TSA (existing employee) | 2000 | 765 | - | 283 | 11 | 45 | 1,104 | 26,917 | 4.1% | |
| | 2001 | 561 | 1 | 243 | 3 | 23 | 831 | 25,972 | 3.2% | |
| | 2002 | 486 | 2 | 182 | 2 | 26 | 698 | 26,740 | 2.6% | |
| | 2003 | 419 | 3 | 137 | 3 | 21 | 583 | 27,113 | 2.2% | |
| | 2004 | 508 | 2 | 229 | 3 | 29 | 771 | 31,009 | 2.5% | |

Source: UW Payroll records

NOTE: "Terminated employment" means that the employee received salary in the previous year, but not in the current year.

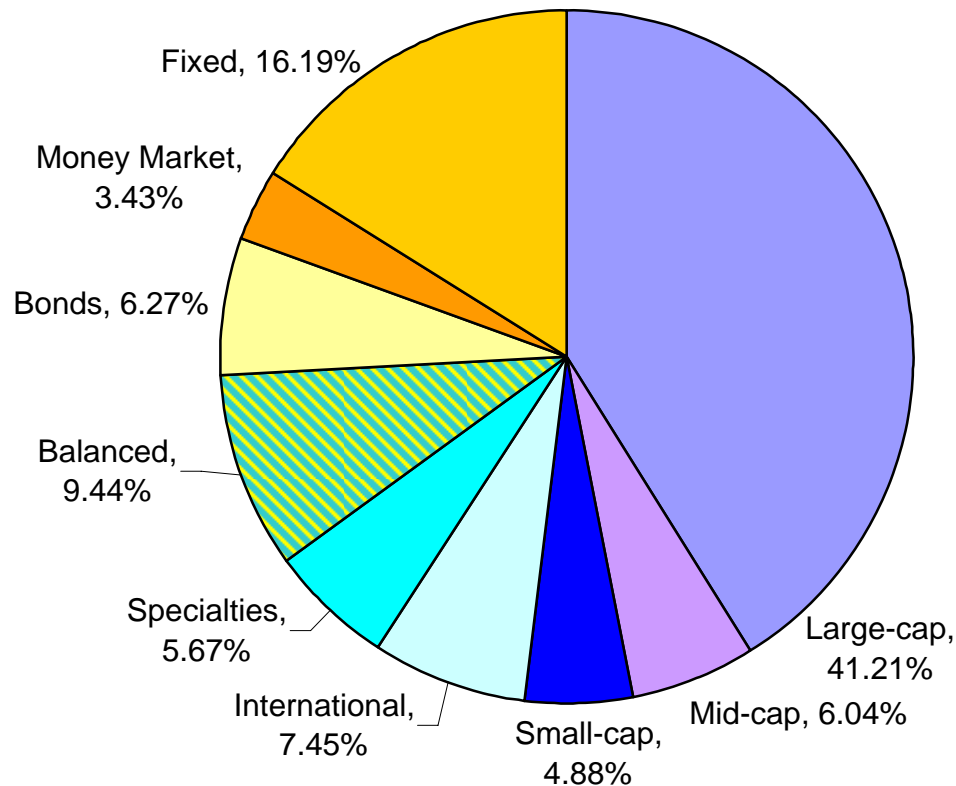
"Discontinued TSA" means that the employee is on payroll in the previous and the current year, and made a TSA contribution in previous year but not in the current year.

"New Hire" means an employee who was not paid in the previous year, but does receive salary in the current year.

"Existing employee" means an employee who received salary in both the previous and the current year.

Allocation of Contributions and Assets - Preliminary

2004 Contributions



| | 2004 Contr. | 2003 Contr. | 2004 Assets | 2003 Assets |
|------------------------|--------------------|--------------------|--------------------|--------------------|
| Large-cap Value | \$ 2,364,107.37 | \$ 1,988,383.42 | \$ 47,702,474.09 | \$ 41,634,042.37 |
| Large-cap Blend | \$ 19,164,334.47 | \$ 17,946,892.06 | \$ 383,828,219.37 | \$ 352,749,903.77 |
| Large-cap Growth | \$ 7,475,711.96 | \$ 6,466,661.14 | \$ 90,823,663.52 | \$ 75,044,956.54 |
| | 41.21% | 40.03% | 40.89% | 40.54% |
| Mid-cap Value | \$ 802,926.09 | \$ 869,462.59 | \$ 13,947,206.55 | \$ 17,608,063.95 |
| Mid-cap Blend | \$ 929,956.46 | \$ 630,630.38 | \$ 21,488,038.53 | \$ 15,832,911.53 |
| Mid-cap Growth | \$ 2,514,862.55 | \$ 2,444,404.92 | \$ 29,142,545.75 | \$ 24,713,980.79 |
| | 6.04% | 5.98% | 5.06% | 5.02% |
| Small-cap Value | \$ 498,947.48 | \$ 549,074.57 | \$ 6,211,004.77 | \$ 5,695,407.00 |
| Small-cap Blend | \$ 1,980,511.94 | \$ 1,300,745.14 | \$ 25,699,969.91 | \$ 17,458,421.46 |
| Small-cap Growth | \$ 956,914.92 | \$ 692,420.80 | \$ 17,397,532.00 | \$ 14,425,558.52 |
| | 4.88% | 3.85% | 3.86% | 3.25% |
| Europe Stock | \$ 189,640.09 | \$ 180,968.76 | \$ 3,345,122.49 | \$ 2,451,616.56 |
| Latin Amer. Stock | \$ 95,521.32 | \$ 7,933.85 | \$ 771,011.68 | \$ 422,125.18 |
| Divers. EmERGE. Mkts | \$ 56,282.11 | \$ 33,137.12 | \$ 962,186.57 | \$ 703,476.04 |
| Divers. Pacific Stock | \$ 58,076.67 | \$ 34,308.91 | \$ 652,700.22 | \$ 505,592.34 |
| Pacific ex-Japan Stock | \$ 68,582.16 | \$ 41,633.41 | \$ 1,743,758.02 | \$ 1,462,329.57 |
| Japan Stock | \$ 48,150.18 | \$ 29,630.04 | \$ 1,585,286.56 | \$ 1,065,815.24 |
| Foreign Stock | \$ 2,513,197.77 | \$ 1,584,843.50 | \$ 42,951,882.78 | \$ 26,999,176.39 |
| World Stock | \$ 2,212,889.90 | \$ 1,839,975.79 | \$ 30,567,673.24 | \$ 24,897,013.92 |
| | 7.45% | 5.69% | 6.47% | 5.05% |

Allocation of Contributions and Assets cont.

| | <u>2004 Contr.</u> | <u>2003 Contr.</u> | <u>2004 Assets</u> | <u>2003 Assets</u> |
|-------------------------|-------------------------|-------------------------|----------------------------|----------------------------|
| Conservative Allocation | \$ 385,039.80 | \$ 295,425.43 | \$ 2,746,381.41 | \$ 2,202,894.24 |
| Moderate Allocation | \$ 6,162,687.15 | \$ 5,267,111.36 | \$ 87,783,049.48 | \$ 83,346,523.94 |
| Convertible Bond | \$ 68,020.74 | \$ 58,001.13 | \$ 1,664,540.63 | \$ 1,468,177.08 |
| International Hybrid | \$ 29,162.02 | \$ 11,526.76 | \$ 412,583.33 | \$ 319,332.51 |
| | 9.44% | 8.54% | 7.25% | 7.54% |
| Long Government | \$ 31,378.33 | \$ 33,205.82 | \$ 387,614.62 | \$ 265,146.85 |
| Intermediate Govt | \$ 1,139,820.11 | \$ 1,329,236.36 | \$ 12,011,089.98 | \$ 10,021,511.99 |
| Short Government | \$ 54,378.15 | \$ 75,581.89 | \$ 682,481.07 | \$ 753,710.18 |
| Long-Term Bond | \$ 170,268.12 | \$ 237,690.67 | \$ 3,122,683.42 | \$ 959,031.29 |
| Intermediate-Term Bond | \$ 2,095,098.87 | \$ 2,070,698.60 | \$ 23,369,701.50 | \$ 23,039,926.42 |
| Short-Term Bond | \$ 187,294.25 | \$ 265,007.06 | \$ 3,810,647.29 | \$ 3,010,696.15 |
| Ultrashort Bond | \$ 25,806.65 | \$ 52,679.55 | \$ 685,994.00 | \$ 793,805.55 |
| High-Yield Bond | \$ 333,617.45 | \$ 289,736.22 | \$ 5,710,487.67 | \$ 6,601,549.47 |
| Multisector Bond | \$ 179,924.30 | \$ 153,703.39 | \$ 3,717,406.77 | \$ 2,317,531.57 |
| International Bond | \$ 40,311.61 | \$ 55,938.58 | \$ 515,594.81 | \$ 939,617.23 |
| Emerging Mkt Bond | \$ 59,866.37 | \$ 39,187.85 | \$ 912,787.80 | \$ 656,898.49 |
| World Bond | \$ 85,528.03 | \$ 52,472.77 | \$ 1,125,272.30 | \$ 625,837.27 |
| Taxable Bond | \$ 6,932.96 | \$ | \$ 82,246.43 | \$ |
| | 6.27% | 7.06% | 4.39% | 4.32% |
| Special.-Communications | \$ 131,356.95 | \$ 134,264.63 | \$ 2,066,769.94 | \$ 1,834,029.19 |
| Special.-Financial | \$ 111,968.33 | \$ 128,761.35 | \$ 2,516,919.95 | \$ 2,954,010.81 |
| Special.-Health | \$ 619,161.03 | \$ 538,043.13 | \$ 8,219,018.00 | \$ 7,144,789.64 |
| Special.-Nat. Resources | \$ 140,145.34 | \$ 120,421.56 | \$ 6,299,838.61 | \$ 4,425,879.07 |
| Special.-Prec. Metals | \$ 44,555.77 | \$ 35,027.44 | \$ 667,502.17 | \$ 1,126,358.66 |
| Special.-Real Estate | \$ 1,940,662.55 | \$ 1,478,407.20 | \$ 21,363,467.45 | \$ 14,549,052.00 |
| Special.-Technology | \$ 933,062.61 | \$ 1,032,399.52 | \$ 12,968,123.83 | \$ 15,623,358.17 |
| Special.-Unaligned | \$ 4,752.18 | \$ 4,446.00 | \$ 34,730.51 | \$ 30,526.21 |
| Special.-Utilities | \$ 57,030.91 | \$ 43,900.54 | \$ 1,394,123.57 | \$ 913,054.12 |
| Specialty-Not yet rated | \$ 7,358.05 | \$ | \$ 43,345.17 | \$ |
| | 5.67% | 5.33% | 4.35% | 4.20% |
| Money Market | \$ 2,412,784.57 | \$ 2,632,186.20 | \$ 31,035,936.25 | \$ 32,097,611.04 |
| | 3.43% | 3.99% | 2.43% | 2.77% |
| Fixed | \$ 11,392,399.65 | \$ 12,861,722.38 | \$ 330,278,055.21 | \$ 312,218,426.35 |
| | 16.19% | 19.50% | 25.86% | 26.96% |
| Uncategorized | \$ 115,153.35 | \$ 8,181.35 | \$ 1,471,480.83 | \$ 10,221.94 |
| | 0.16% | 0.01% | 0.12% | 0.00% |
| Grandfathered variable | \$ 1,339.52 | \$ 15,852.50 | \$ 1,291,858.68 | \$ 3,991,306.27 |
| | 0.00% | 0.02% | 0.10% | 0.34% |
| Total | \$ 70,378,762.48 | \$ 65,961,923.64 | \$ 1,277,320,164.93 | \$ 1,157,911,204.87 |

Source: Vendor reporting

50 Most-Used Funds Based on 2004 Contributions

| | Company | Fund Name | Fund Type | 2004 Contributions | 2004 Assets |
|------------------------------|------------------|---|------------------------|-------------------------|--------------------------|
| 1 | TIAA-CREF | TIAA Traditional Fixed SRA | Fixed | \$ 9,223,003.00 | \$ 254,246,368.00 |
| 2 | TIAA-CREF | CREF Stock | Large Blend | \$ 6,808,045.00 | \$ 175,843,122.00 |
| 3 | TIAA-CREF | CREF Growth | Large Growth | \$ 2,922,240.00 | \$ 29,098,327.00 |
| 4 | TIAA-CREF | CREF Social Choice | Moderate Allocation | \$ 2,266,886.00 | \$ 26,485,778.00 |
| 5 | TIAA-CREF | CREF Equity Index | Large Blend | \$ 2,068,020.00 | \$ 23,952,967.00 |
| 6 | TIAA-CREF | CREF Global Equities | World Stock | \$ 1,931,148.00 | \$ 27,342,461.00 |
| 7 | Fidelity | Fidelity Contrafund® | Large Blend | \$ 1,714,185.88 | \$ 34,645,344.53 |
| 8 | TIAA-CREF | TIAA Real Estate | Specialty-Real Estate | \$ 1,498,622.00 | \$ 14,862,910.00 |
| 9 | Lincoln | Fixed | Fixed | \$ 1,440,051.81 | \$ 56,134,224.64 |
| 10 | Fidelity | Fidelity Low-Priced Stock Fund | Small Blend | \$ 1,345,012.65 | \$ 18,548,366.77 |
| 11 | Fidelity | Fidelity Magellan® Fund | Large Blend | \$ 1,171,377.45 | \$ 34,264,319.01 |
| 12 | TIAA-CREF | CREF Bond | Intermediate-Term Bond | \$ 986,864.00 | \$ 9,661,008.00 |
| 13 | Fidelity | Fidelity Blue Chip Growth Fund | Large Growth | \$ 962,383.13 | \$ 10,605,508.69 |
| 14 | Fidelity | Fidelity Growth & Income Portfolio | Large Blend | \$ 838,842.83 | \$ 15,475,592.93 |
| 15 | Am Ex/IDS RS + | AXP® VP - New Dimensions® Fund | Large Blend | \$ 777,956.97 | \$ 8,607,954.58 |
| 16 | WRS | Fixed | Moderate Allocation | \$ 754,057.35 | \$ 16,215,632.26 |
| 17 | Lincoln | Lincoln VIP Growth & Income | Large Blend | \$ 746,409.17 | \$ 20,778,392.99 |
| 18 | Fidelity | Fidelity Cash Reserves | Money Market | \$ 663,783.34 | \$ 7,678,832.16 |
| 19 | TIAA-CREF | CREF Inflation-linked Bond | Intermediate Govt | \$ 645,285.00 | \$ 6,347,253.00 |
| 20 | Fidelity | Fidelity Dividend Growth Fund | Large Blend | \$ 573,797.41 | \$ 6,785,030.25 |
| 21 | TRPrice | T. Rowe Price Equity Income | Large Value | \$ 560,692.37 | \$ 9,106,380.41 |
| 22 | Lincoln | Lincoln VIP Social Awareness | Large Blend | \$ 554,738.13 | \$ 12,628,453.73 |
| 23 | Fidelity Spartan | Spartan® 500 Index Fund | Large Blend | \$ 554,041.11 | \$ 4,616,342.26 |
| 24 | Lincoln | American Funds Growth | Large Growth | \$ 549,221.62 | \$ 6,966,105.11 |
| 25 | Fidelity | Fidelity Growth Company Fund | Large Growth | \$ 545,900.88 | \$ 8,726,144.10 |
| 26 | Fidelity Spartan | Fidelity's Spartan® U.S. Equity Index | Large Blend | \$ 495,884.42 | \$ 6,869,755.95 |
| 27 | Fidelity | Fidelity Equity-Income Fund | Large Value | \$ 484,220.47 | \$ 15,089,164.47 |
| 28 | Lincoln | Lincoln VIP Equity-Income | Large Value | \$ 451,624.77 | \$ 7,536,502.29 |
| 29 | Fidelity | Fidelity New Millennium Fund® | Mid-Cap Growth | \$ 446,906.19 | \$ 6,004,843.82 |
| 30 | TIAA-CREF | CREF Money Market | Money Market | \$ 443,973.00 | \$ 5,645,392.00 |
| 31 | Fidelity | Fidelity Mid-Cap Stock Fund | Mid-Cap Growth | \$ 442,844.18 | \$ 4,644,499.64 |
| 32 | TRPrice | T. Rowe Price Mid-Cap Growth | Mid-Cap Growth | \$ 440,467.23 | \$ 4,154,618.66 |
| 33 | Fidelity | Fidelity Puritan® Fund | Moderate Allocation | \$ 438,804.45 | \$ 11,404,547.46 |
| 34 | Fidelity | Fidelity Balanced Fund | Moderate Allocation | \$ 436,917.40 | \$ 4,381,710.47 |
| 35 | Am Ex/IDS RS + | AXP® VP - Large Cap Equity Fund | Large Blend | \$ 399,033.88 | \$ 7,613,872.83 |
| 36 | Fidelity | Fidelity Diversified International Fund | Foreign Stock | \$ 396,463.53 | \$ 7,318,819.11 |
| 37 | Am Ex/IDS RS + | IDS Life Fixed Account | Fixed | \$ 383,798.98 | \$ 9,262,488.29 |
| 38 | Fidelity | Fidelity Value Fund | Mid-Cap Blend | \$ 375,331.71 | \$ 9,188,289.14 |
| 39 | Am Ex/IDS RS + | AXP® VP - Managed Fund | Moderate Allocation | \$ 369,683.60 | \$ 6,993,467.08 |
| 40 | TRPrice | T. Rowe Price Equity Index 500 | Large Blend | \$ 357,967.33 | \$ 3,476,019.88 |
| 41 | TRPrice | T. Rowe Price Capital Appreciation | Moderate Allocation | \$ 355,622.71 | \$ 3,368,101.24 |
| 42 | Lincoln | Lincoln VIP Bond | Intermediate-Term Bond | \$ 348,937.68 | \$ 4,372,438.19 |
| 43 | AUL | AUL Fixed | Fixed | \$ 345,545.86 | \$ 10,634,974.28 |
| 44 | TRPrice | T. Rowe Price Blue Chip Growth | Large Growth | \$ 316,124.72 | \$ 3,346,415.01 |
| 45 | Am Ex/IDS RS + | AXP® VP - Strategy Aggressive Fund | Mid-Cap Growth | \$ 315,721.74 | \$ 3,574,224.22 |
| 46 | Fidelity | Fidelity Retirement Government Money Market Portfolio | Money Market | \$ 306,649.14 | \$ 1,672,215.68 |
| 47 | TRPrice | T. Rowe Price Small Cap Value | Small Value | \$ 304,545.52 | \$ 3,918,984.48 |
| 48 | Lincoln | Delaware VIP Small Cap Value | Small Blend | \$ 303,888.07 | \$ 3,762,692.59 |
| 49 | TRPrice | T. Rowe Price Science & Technology | Specialty-Technology | \$ 282,638.02 | \$ 4,292,650.53 |
| 50 | Fidelity | Fidelity Retirement Money Market Portfolio | Money Market | \$ 265,536.86 | \$ 3,949,880.17 |
| Total of Top 50 Funds | | | | \$ 51,611,696.56 | \$ 992,099,385.90 |

50 Most-Used Funds Based on 2003 Contributions For comparison

| 2003 | 2002 | Company | Fund Name | Fund Type | 2003 Contributions | 2003 Assets |
|------------------------------|------|------------------|--|------------------------|-------------------------|--------------------------|
| 1 | 1 | TIAA-CREF | TIAA Traditional Fixed SRA | Fixed | \$ 9,268,756.43 | \$ 238,048,184.17 |
| 2 | 2 | TIAA-CREF | CREF Stock | Large-cap Blend | \$ 5,865,013.11 | \$ 155,350,650.60 |
| 3 | 3 | TIAA-CREF | CREF Growth | Large-cap Growth | \$ 2,861,779.21 | \$ 26,731,464.96 |
| 4 | 4 | Lincoln | Fixed | Fixed | \$ 2,719,932.03 | \$ 53,807,110.99 |
| 5 | 7 | TIAA-CREF | CREF Social Choice | Moderate Allocation | \$ 1,928,080.63 | \$ 22,335,793.27 |
| 6 | 6 | TIAA-CREF | CREF Equity Index | Large-cap Blend | \$ 1,770,518.44 | \$ 19,021,512.93 |
| 7 | 5 | TIAA-CREF | CREF Global Equities | World Stock | \$ 1,601,368.28 | \$ 21,921,135.89 |
| 8 | 9 | Fidelity | Fidelity <i>Contrafund</i> ® | Large-cap Blend | \$ 1,501,811.67 | \$ 28,456,456.43 |
| 9 | 10 | Fidelity | Fidelity <i>Magellan</i> ® | Large-cap Blend | \$ 1,232,017.33 | \$ 35,274,392.98 |
| 10 | 8 | Am Ex/IDS | AXP VP New Dimensions Fund | Large-cap Blend | \$ 1,169,433.62 | \$ 11,744,114.92 |
| 11 | 12 | TIAA-CREF | TIAA Real Estate | Specialty-Real Estate | \$ 1,135,129.40 | \$ 10,368,564.10 |
| 12 | 14 | TIAA-CREF | CREF Bond Market | Corp Bond-Intermediate | \$ 1,075,006.64 | \$ 9,479,202.85 |
| 13 | 18 | Fidelity | Fidelity Low-Priced Stock | Small-cap Blend | \$ 959,480.73 | \$ 12,971,000.93 |
| 14 | 11 | Fidelity | Fidelity Blue Chip Growth | Large-cap Growth | \$ 886,112.89 | \$ 10,129,351.32 |
| 15 | 17 | Fidelity | Fidelity Growth & Income | Large-cap Blend | \$ 774,186.77 | \$ 14,557,699.63 |
| 16 | * | WRS | WRS Fixed | Moderate Allocation | \$ 736,524.00 | \$ 18,110,435.00 |
| 17 | 16 | Am Ex/IDS | AXP VP Capital Resources Fund | Large-cap Blend | \$ 611,290.18 | \$ 21,044,796.20 |
| 18 | 44 | TIAA-CREF | CREF Inflation-linked Bond | Govt Bond-Intermediate | \$ 606,073.82 | \$ 4,148,500.52 |
| 19 | 13 | Lincoln | Lincoln VIP Growth & Income | Large-cap Blend | \$ 603,869.91 | \$ 20,051,401.89 |
| 20 | 38 | Am Ex/IDS | IDS Life Fixed Account | Fixed | \$ 549,223.59 | \$ 9,595,620.39 |
| 21 | 32 | Fidelity | Fidelity Cash Reserves | Money Market | \$ 522,746.10 | \$ 8,476,582.04 |
| 22 | 19 | Am Ex/IDS | AXP VP Managed Fund | Moderate Allocation | \$ 522,566.40 | \$ 10,056,026.99 |
| 23 | 23 | Fidelity | Fidelity Dividend Growth | Large-cap Blend | \$ 518,579.29 | \$ 6,900,905.66 |
| 24 | 15 | Am Ex/IDS | AXP VP Strategy Aggressive Fund | Mid-cap Growth | \$ 506,151.85 | \$ 4,468,452.15 |
| 25 | 20 | Lincoln | Lincoln VIP Social Awareness | Large-cap Blend | \$ 501,694.39 | \$ 11,315,230.90 |
| 26 | 22 | Fidelity | Fidelity Growth Company | Large-cap Growth | \$ 494,160.15 | \$ 7,890,528.65 |
| 27 | 29 | TRPrice | T. Rowe Price Equity Income | Large-cap Value | \$ 470,494.29 | \$ 6,959,415.40 |
| 28 | 24 | TIAA-CREF | CREF Money Market | Money Market | \$ 441,931.27 | \$ 5,348,497.89 |
| 29 | 26 | Fidelity | Fidelity Mid-cap Stock | Mid-cap Growth | \$ 423,789.92 | \$ 4,317,274.11 |
| 30 | 27 | Fidelity Spartan | Fidelity's Spartan® U.S. Equity Index | Large-cap Blend | \$ 403,168.31 | \$ 5,791,036.91 |
| 31 | 34 | Fidelity | Fidelity Equity Income | Large-cap Value | \$ 400,548.17 | \$ 13,931,607.97 |
| 32 | 33 | Fidelity | Fidelity <i>New Millennium Fund</i> ® | Mid-cap Growth | \$ 390,880.86 | \$ 6,121,807.49 |
| 33 | 25 | Fidelity | Fidelity <i>Puritan</i> ® | Moderate Allocation | \$ 384,625.17 | \$ 10,897,423.16 |
| 34 | 30 | TRPrice | T. Rowe Price Equity Index 500 | Large-cap Blend | \$ 358,079.20 | \$ 3,039,849.62 |
| 35 | 46 | TRPrice | T. Rowe Price Prime Reserve | Money Market | \$ 353,271.44 | \$ 3,673,588.00 |
| 36 | 25 | Am Ex/IDS | AXP VP International Fund | Foreign Stock | \$ 345,036.37 | \$ 4,366,157.00 |
| 37 | 28 | TRPrice | T. Rowe Price Science & Technology | Specialty-Technology | \$ 343,227.57 | \$ 4,839,016.63 |
| 38 | 49 | Fidelity | Fidelity Retirement Money Market | Money Market | \$ 324,966.90 | \$ 4,883,775.69 |
| 39 | | AUL | Fixed Account | Fixed | \$ 323,810.33 | \$ 10,767,510.80 |
| 40 | 49 | Fidelity | Fidelity Retirement Gov't Money Market | Money Market | \$ 319,126.42 | \$ 1,626,328.49 |
| 41 | 41 | TRPrice | T. Rowe Price Mid-cap Growth | Mid-cap Growth | \$ 316,725.25 | \$ 3,901,458.24 |
| 42 | 40 | Fidelity | Fidelity Value | Mid-cap Value | \$ 316,037.95 | \$ 7,166,318.04 |
| 43 | 37 | TRPrice | T. Rowe Price Blue Chip Growth | Large-cap Blend | \$ 308,331.82 | \$ 3,144,737.46 |
| 44 | | Fidelity Spartan | Fidelity's Spartan® 500 Index | Large-cap Blend | \$ 303,347.28 | \$ 3,450,571.55 |
| 45 | | Lincoln | American Funds Growth | Large-cap Growth | \$ 301,387.06 | \$ 4,212,410.83 |
| 46 | 43 | Lincoln | Lincoln VIP Equity-Income | Large-cap Value | \$ 288,065.18 | \$ 6,247,414.54 |
| 47 | 39 | Strong | Strong Opportunity Fund | Mid-cap Blend | \$ 281,176.05 | \$ 2,071,407.42 |
| 48 | | TRPrice | T. Rowe Price Small-Cap Value | Small-cap Value | \$ 268,507.02 | \$ 3,508,142.53 |
| 49 | | Fidelity | Fidelity Balanced | Moderate Allocation | \$ 265,246.79 | \$ 3,668,857.22 |
| 50 | 31 | Lincoln | Lincoln VIP Capital Appreciation | Large-cap Growth | \$ 258,548.27 | \$ 4,302,513.95 |
| Total of Top 50 Funds | | | | | \$ 49,111,835.75 | \$ 920,492,237.30 |

* 2002 WRS contributions and assets were not available last year in time for the Annual Report

Educational Initiatives

During 2004 TSA Program staff continued to promote our education efforts in the following areas:

- Targeting some education efforts towards younger employees and classified staff
- Providing support and resources for campus benefits staff
- Increasing and improving our written informational pieces
- Making more information available to employees on our web site
- Emphasizing services to campuses where TSA participation is below average

Achievements included the following:

- Encouraging vendor participation in educational efforts. Individual counseling sessions continued to be popular. In 2004 TIAA-CREF counseled over 540 participants at all the campuses including some of the two-year campuses and put on workshops which reached over 100 employees; Fidelity counseled approximately 200. American Express/IDS, AUL, Lincoln, and Strong also offered one-on-one sessions. In 2004 a total of almost 100 days of counseling were provided reaching more than 800.
- Carrying out the *Getting Started* outreach effort in March 2004 to approximately 1,300 employees. Three groups: new employees who had not yet joined the TSA Program, employees who had been with the UW five years and had not yet joined, and low-to-moderate income employees who might potentially benefit from the Saver's Credit on three campuses Platteville, Parkside, and Stout were sent packets of information on the TSA Program. Educational sessions on the target campuses were provided as a follow up to the mailings.
- Coordinating TSA messages on earning statements for student hourlies, classified, and unclassified employees.
- Sending out enrollment kits to those employees returning the yellow enrollment kit postcards – 32 postcards in 2004.
- Coordinating campus mail delivery of the TSA *Inve\$tor*, so that all employees can receive it.
- Updating the TSA Program Powerpoint presentation designed for employees not familiar with the Program or not yet participating to include new income tax tables and contribution limits. This presentation is available to benefits coordinators and is in regular use at UW-Madison and at UW-Milwaukee.
- Presentations by the TSA Program Benefits Specialist. UW Extension and UW Colleges staff in the area were also invited to attend. TSARC members Kevin Bahr, Bob Carney, Ron Crabb, Kate Kelley, Dick Marcus, and Lori Worm helped coordinate, promote, or present campus workshops.

| Date | Location | Number of Sessions | Attendance |
|--------------|--|--------------------|------------|
| February 25 | Whitewater | 1 | 25 |
| March 11 | Milwaukee | 1 | 35 |
| April 14 | Platteville | 2 | 60 |
| April 15 | Parkside | 1 | 14 |
| April 21 | Green Bay | 1 | 40 |
| July 14 | System Administration | 1 | 13 |
| July 29 | System Administration | 1 | 18 |
| July 30 | Academic Leadership Conference and UW-Stout | 2 | 65 |
| September 28 | Parkside | 1 | 11 |
| October 6 | La Crosse | 2 | 5 |
| November 3 | Whitewater | 1 | 20 |
| November 9 | Stevens Point | 1 | 25 |
| November 11 | Oshkosh | 1 | 20 |
| Total | | 15 sessions | 351 |

- New and revised publications, including the *Selected Returns*, which have been reworked to provide more helpful information in choosing funds, and continued enhancements to the appearance of the *TSA Inve\$tor* newsletter.
- Expansion of resources available on our website, including adding online enrollment for Fidelity, present and past issues of the *TSA Inve\$tor*, current contributions limits, fund returns, updating the *How to Enroll in the TSA Program* page, the *Schedule of Individual Counseling Sessions*, the revised *Selected Returns* and *Quick Guide to the TSA Programs*, TSA Review Committee Meeting minutes, and the *Annual Report*.

The campus TSA coordinators also made presentations, organized TSA events, and made the arrangements for the presentations by investment companies and System staff. The Program is greatly enhanced by their work.