



news

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Help With Taking Control in Uncertain Times

Wide market swings and investor jitters have made headlines for months.

Short-term market volatility can be stressful. To help Plan participants stay focused on their long-term retirement goals, the Island Savings Plan offers professional investment advice through ING Investment Advisors, LLC, in partnership with Financial Engines®.

Your Retirement Evaluation

In October 2011, you will receive a Retirement Evaluation Statement of your Island Savings Plan account (formerly known as the Personal Evaluation Statement) in the mail at no charge. If you do not receive a Retirement Evaluation Statement in the mail, it is because your salary information is not on file with ING. You may call the Plan Information Line to request an evaluation.

Newly enhanced, your Retirement Evaluation Statement uses the independent analysis provided by ING Investment Advisors and Financial Engines to help you evaluate your retirement planning. If the evaluation contains red or yellow stoplights, changes might be needed. You have two choices if you want help.

Use the advice to do it yourself

Personal Online Advisor is an online interactive service that Plan participants may use at no additional cost, providing retirement forecasts, risk assessments, specific fund recommendations, and step-by-step instructions. This personalized, objective retirement planning and investment advice is available whenever you log into your Plan account and click on the ING Advisor Service link.

Partner with an investment professional

Professional Account Manager is designed for participants who would rather pay an additional fee to have investment professionals choose their investments and manage their Plan accounts. In addition to the services provided by Personal Online Advisor, this program offers one-on-one support and quarterly progress reports. Your initial retirement assessment is at no cost. If you decide to continue using the program, the fee ranges from 0.40% to 0.60% of your account balance per year, about \$3.34 to \$5 per month for each \$10,000 in your account.

The Island Savings Plan has negotiated a special offer for you to experience Professional Account Manager for your Plan account. **Enroll before October 28, 2011.** If you are not satisfied, cancel within the first three months of enrollment and the Program fee associated with this service (described immediately to the right of this box) will be waived. For details, call (888) 712-5642 or go to www.financialadvice.com/forhawaii.

To learn more, go to the Plan website or call the Plan Information Line. ●

Advisory Services provided by ING Investment Advisors, LLC. ING Investment Advisors does not give tax or legal advice. If you need tax advice, consult your accountant, or if you need legal advice, consult your lawyer. For more information, please read the ING Investment Advisors Disclosure Statement. A Disclosure Statement may be viewed online by accessing the ING Advisor Service link through <https://islandsavings.ingplans.com>. You may also request the Disclosure Statement from an ING Investment Advisor by calling (888) 71-ALOHA. Financial Engines is a registered trademark of Financial Engines, Inc.

Plan Receives National Awards

The Island Savings Plan received national recognition for excellence from the National Association of Government Defined Contribution Administrators (NAGDCA) in September 2011.

A 2011 Leadership Recognition Award was given to the Plan's *National Save for Retirement Week* campaign for effectiveness in encouraging employees to take action toward saving for retirement. The Plan also earned a Plan Design and Administration Leadership Award for its initiatives to help participants cope with market fluctuations and austere financial conditions, including lowering one fund's investment fees; adding four index funds, a new 2055 Lifecycle Fund, and a Self-Directed Brokerage Account; and other enhancements. ●

Reminder

Daylight Saving Time will end on Sunday, November 6, 2011. Effective Monday, November 7, Plan participants will have an additional hour to complete transactions. Online and telephone transactions completed by 11 a.m. HST will be effective the same business day; transactions made after 11 a.m. HST will be effective the next business day. ●

Fund Updates

The Stable Value: Effective October 1, 2011, the fourth quarter 2011 rate is **3.99%**.

On the watch list: Century Small/Mid Cap Growth Fund, Bernstein International Value Collective Trust, and Harbor Small Cap Value Fund.

Get to Know Your Plan's Board of Trustees

Under State law, the Board is responsible for overseeing and maintaining your Island Savings Plan.

Board members maintain an "open door" policy and invite participants to communicate their comments and suggestions for improving the Plan and participant services directly with them. For the Board's contact information, go to the Plan website, select **FAQs**, then select *Who's responsible for the Plan?*

Wayne L. Chu, Chairperson

Auditing Division Administrator from DAGS

Barbara A. Krieg, Employee Member

Director of Human Resources Development

Kalbert K. Young, Employee Member

Director of Budget and Finance

Wesley K. Machida, Employee Member

Employees' Retirement System Administrator

Scott A. Kami, Employee Member

Financial Administration Division Administrator, Department of Budget and Finance

Neal H. Miyahira, Employee Member

Administrator for the Budget, Program Planning, and Management Division, Department of Budget and Finance

Dennis L. Vanairsdale, Employee Member

Faculty member in the accountancy program of the Kapiolani Community College

Hilo Welcomes Island Savings Plan

The State Employees' Benefits Fair held at the Hilo Hawaiian Hotel on the Big Island on October 6, 2011, attracted state and county employees from around the island.

Employees met with representatives to update themselves on the latest features of the Plan and the Plan's investments options, and employees picked up tips on how to save more for retirement. Representatives from the Employees' Retirement System, the EUTF Health carriers, and the HI529 College Savings Program provided employees with important Plan information.

Representatives from the State *Island Flex* program were also on hand for the first time at a Hilo Fair to provide valuable information on how this program can help State employees increase their take home pay. Participants were extremely pleased to meet with all of the representatives and have their questions answered. Thank you all for supporting our Benefits Fair! ●

National Save for Retirement Week — October 17-21, 2011

Bring Your Big Picture into Focus

National Save for Retirement Week is a great opportunity to look at where you'd like to be in retirement.

Everyone's picture of retirement is very personal: when you expect to stop working, where you will live, and how you will spend your time. These factors affect the size of the retirement nest egg you will need. You may also find a need to make adjustments when major life changes occur. If your vision of retirement is not clear, your financial decisions could be fuzzy, too.

To bring your retirement big picture into focus, go to the Plan website at <https://islandsavings.ingplans.com> to use the calculators and other resources, including the new "Worth Knowing" series on savings strategies and other financial topics. ●

A Tax Credit on Plan Contributions

You may be eligible to claim a tax credit on your 2011 federal tax return for up to half of the first \$2,000 you save in the Plan if your adjusted gross income does not exceed the limits shown at right. Contact your tax adviser for more information. ●

Single, married filing separately, or qualifying widow(er)	\$27,750
Head of household	\$41,625
Married filing jointly	\$55,500

LOCAL OFFICE

1003 Bishop Street
Pauahi Tower, Suite 1160
Honolulu, Hawaii 96813

OFFICE HOURS

8 a.m. to 5 p.m. (HST)
Monday – Friday

FREE PARKING

Validate your parking ticket at the Local Office
Bishop Square Parking Garage
(entrance on Alakea Street)

INFORMATION LINE

1-888-71-ALOHA (1-888-712-5642)

6 a.m. to 5 p.m. (HST)
Monday – Friday

6 a.m. to 12 p.m. (HST)
Saturday

PLAN WEBSITE

<https://islandsavings.ingplans.com>

STATE WEBSITE

<http://hawaii.gov/hrd>

KAPENA KIM

Oahu/Honolulu

PETER EDDY

Oahu/Kauai/Big Island

ALBERT LEE

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MELODY TAKACS, PLAN MANAGER

Honolulu/Maui/Big Island/Lanai



1-888-71-ALOHA Plan Information Line

<https://islandsavings.ingplans.com> Plan website

This newsletter is not intended to provide legal, tax, or investment advice. For such advice, participants should contact their legal, tax, or investment advisers.

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quarterly calendar

The New York Stock Exchange is closed:

- Thursday, November 24, 2011
- Monday, December 26, 2011
- Monday, January 2, 2012
- Monday, January 16, 2012

Transactions made on these days will be processed the following business day.

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