

JP Morgan 2015 fund

	YTD	1 Mo	1 Yr	3 Yr	* 5 Yr	* 10 Yr *
Growth of 10,000	10,911	9,841	11,469	14,031	13,570	—
Fund	9.11	-1.59	14.69	11.95	6.30	—
+/- Morningstar Moderate Target Risk	2.32	0.11	4.55	1.61	-0.02	—
+/- Category	0.95	-0.50	2.06	0.63	1.15	—
% Rank in Cat	46	91	39	43	10	

JP Morgan 2020

	YTD	1 Mo	1 Yr	3 Yr	* 5 Yr	* 10 Yr *
Growth of 10,000	10,545	9,838	10,973	13,276	13,437	—
Fund	5.45	-1.62	9.73	9.91	6.09	—
+/- Morningstar Moderate Target Risk	-1.34	0.08	-0.41	-0.44	-0.23	—
+/- Category	0.31	-0.48	0.97	0.58	1.08	—
% Rank in Cat	54	92	46	47	12	

JP Morgan 2030

	YTD	1 Mo	1 Yr	3 Yr	* 5 Yr	* 10 Yr *
Growth of 10,000	10,911	9,841	11,469	14,031	13,570	—
Fund	9.11	-1.59	14.69	11.95	6.30	—
+/- Morningstar Moderate Target Risk	2.32	0.11	4.55	1.61	-0.02	—
+/- Category	0.95	-0.50	2.06	0.63	1.15	—
% Rank in Cat	46	91	39	43	10	—

JPM 2040

	YTD	1 Mo	1 Yr	3 Yr	* 5 Yr	* 10 Yr *
Growth of 10,000	11,143	9,845	11,795	14,753	14,336	—
Fund	11.43	-1.55	17.95	13.84	7.47	—
+/- Morningstar Moderate Target Risk	4.64	0.15	7.80	3.49	1.16	—
+/- Category	1.31	-0.49	2.85	1.38	2.19	—
% Rank in Cat	47	89	30	21	2	—

JP Morgan 2050

	YTD	1 Mo	1 Yr	3 Yr	* 5 Yr	* 10 Yr *
Growth of 10,000	11,144	9,849	11,792	14,779	14,549	—
Fund	11.44	-1.51	17.92	13.91	7.79	—

+/- Morningstar Moderate Target Risk	4.66	0.19	7.77	3.56	1.47	—
+/- Category	0.72	-0.45	2.06	1.22	2.39	—
% Rank in Cat	59	80	44	33	1	—

Just for kicks, I'll include the comparison for the Vanguard indexed 2020 and 2040 funds.

Vanguard Target Retirement 2020

	YTD	1 Mo	1 Yr	3 Yr *	5 Yr *	10 Yr *
Growth of 10,000	10,797	9,896	11,173	13,744	13,442	—
Fund	7.97	-1.04	11.73	11.18	6.09	—
+/- Morningstar Moderate Target Risk	1.18	0.66	1.58	0.84	-0.22	—
+/- Category	2.83	0.10	2.97	1.85	1.09	—
% Rank in Cat	13	39	21	13	11	—

Vanguard Target Retirement 2040

	YTD	1 Mo	1 Yr	3 Yr *	5 Yr *	10 Yr *
Growth of 10,000	11,294	9,898	11,813	14,955	13,701	—
Fund	12.94	-1.02	18.13	14.36	6.50	—
+/- Morningstar Moderate Target Risk	6.15	0.68	7.98	4.01	0.19	—
+/- Category	2.82	0.04	3.03	1.89	1.22	—
% Rank in Cat	20	49	26	12	13	—

As you can see, the cheapo Vanguard funds are pretty much equal to the JP Morgan funds. The return figures above include expenses.

It is possible to construct a portfolio that mimics somewhat the asset allocation in the far-dated SmartRetirement funds, but gets a lower expense ratio, by using other funds available in Lee 401(k).

For the 2040 fund, for instance, you might allocate your investment this way: 47 percent Equity Index fund (0.1 percent expense ratio), 18 percent Fidelity Diversified International (1.0 expense ratio), 10 percent DFA Emerging Markets (0.61 expense), 9 percent Morgan Stanley Small Cap Growth (1.1 percent expense) and the rest in Vanguard Total Bond Market (0.1 percent expense).

You'd miss some foreign debt and real estate exposure, and you'd probably have more U.S. Treasury Bond exposure, but you'd come pretty close to duplicating the SmartRetirement 2040 fund's asset allocation at a lower overall expense ratio.

Of course, you'd have to rebalance it yourself as the markets move and the years go on. You can find the allocations used by JP Morgan on the Lee 401(k) plan website.

For what it's worth, I'm 61 years old and my 401(k) is entirely in the SmartRetirement 2020 fund. I do think these funds make sense for most of us.

As a side note: BrightScope rates 401(k) plans for many American companies. Lee's plan is rated 58 on a scale of 100. That's a middling grade. BrightScope marks Lee below average on "company generosity."

They got that right.