

How Do You Stack Up?

By now, we hope you're convinced — if you needed convincing — that company-sponsored retirement plans are quite the deal, particularly when you're able to milk your employer through matching contributions. They're convenient as all get-out, too — perhaps even too much so.

That is, with 401(k)s, it's all too easy to make your investment choices on the first day of a new job and never look back. Hey, it's a retirement account, you might be thinking. I'll just set it and forget it.

Not so fast, my Foolish friend. For many (and perhaps even most) folks, their company retirement plans may well represent the vast majority of their invested savings. Ergo, it pays (literally!) to be especially mindful of how you're putting that that money to work.

Above, we gave you a quick 'n' dirty way to get a bead on the funds in your company's line-up, and with our *Take Stock Before Buying Stock* article, we help you take the measure of your complete portfolio — i.e., the money you have invested in tax-favored vehicles such as 401(k)s and IRAs as well as any you may have plunked down in taxable accounts.

It's vital to consider all of those sources as part of one big pool of assets, a total portfolio that you should allocate in a way that's consistent with your investing timeline and tolerance for risk.

To help get you started on that front, we'll leave you with one last worksheet, one that gives you a chance to compare and contrast your own current allocation with that of three of Vanguard's Target Retirement offerings. These smartly constructed "funds of funds" — whose allocations change as the "target" date for retirement approaches — are a terrific yardstick for gauging your own asset mix. We've arranged them below from most to least aggressive. Have fun filling in the blanks, and if you need more assistance on that front, just head to our *Take Stock Before Buying Stock* article!

	Vanguard Target Retirement 2045	Your Portfolio
Large-Cap U.S. Stocks	46%	
Mid-Cap/Small-Cap U.S. Stocks	26%	
International Stocks	19%	
Bonds	9%	

Build the Perfect Portfolio

	Vanguard Target Retirement 2025	Your Portfolio
Large-Cap U.S. Stocks	33%	
Mid-Cap/Small-Cap U.S. Stocks	19%	
International Stocks	13%	
Bonds	35%	

	Vanguard Target Retirement 2015	Your Portfolio
Large-Cap U.S. Stocks	28%	
Mid-Cap/Small-Cap U.S. Stocks	16%	
International Stocks	11%	
Bonds	45%	