



UCRS Advisory Board

September 9, 2019

President Janet Napolitano
Office of the President
University of California

Dear President Napolitano:

The University of California Retirement System Advisory Board (UCRSAB) is a representative body, established by the standing orders of the Regents, focused on the University of California Retirement System, including the University of California Retirement Plan (UCRP) and voluntary and compulsory defined contribution plans - 403(b), 457(b), DC plan, CAP. The Board is constituted of: your nominees, senior administrators; the Chief Investment Officer; the Chair of the Council of UC Emeriti Associations; the Chair of the Council of UC Retiree Associations; non-Senate employee-elected representatives; and Academic Senate representatives. The Board does not issue recommendations, but may communicate information directly to you.

UCRSAB held a special meeting Aug. 30, 2019 to discuss recent proposals to increase employer and employee contributions to the UC Retirement System. While we did not have time to fully analyze these proposals, we are all agreed that there should be no increase in the current employee contribution rate. The rationale for only increasing employer contributions is fully discussed in the letter you received from the Academic Senate Council on August 8, 2019. We fully agree with the analysis contained in the Academic Senate letter.

UCRSAB also agreed that although it is necessary for the Regents to approve Segal's Experience Study and July 2019 valuation (based on the Experience Study) at their September meeting, we do not see any need to act on any proposals to increase UCRS contribution rates without full analysis and consultations. In particular we need a fuller analysis of the impacts of any increases across different groups of employees and across represented and non-represented groups. We therefore ask that any action on increasing contribution rates be postponed to allow appropriate time for analysis and consultation.

Yours truly,

A handwritten signature in cursive script, appearing to read 'Jo Mackness', written in black ink.

Jo Mackness, Vice-Chair, UCRSAB

Cc: UCRSAB members

- Henning Bohn - Professor, Economics University of California, Santa Barbara

- David Brownstone - Professor, Economics University of California, Irvine
- Ron Cortez - Chief Financial Officer, Vice Chancellor, University of California, Irvine
- Dwaine B. Duckett - President, Systemwide Human Resources Office of the President
- Dr. Caroline Kane - Chair, Council of UC Emeriti Associations
- Rachael Nava - Executive Vice President - Chief Operating Officer & Chief of Staff to the President
- Marianne Schnaubelt - Chair, Council of UC Retiree Associations Center for Emeriti and Retirees
- Jagdeep Singh - Chief Investment Officer, VP Investments
- Tiffany Wilson - Academic Personnel and Programs, University of California Office of the President
- Ruth S. Zolayvar - Pharmacy Technician, UCSD Medical Center, and AFSCME Executive Board