

FACTS About Pension Benefits for Union-Represented Employees

There's a lot of inaccurate information about UC pension benefits swirling around. Here are the facts.

FACT: UC is not taking away or changing your pension.

Employees in the UC Retirement Plan (UCRP) can be assured their pension benefits aren't going away or changing. UC's addition of a 401(k)-style benefit option for future employees does not affect the pension benefits of current employees.

FACT: UC is not eliminating pension benefits.

UC has been offering pension benefits for over 100 years. They are a valuable employee benefit and UC has no plans to stop offering them.

FACT: Offering a choice does not threaten UC's pension plan.

Some claim that offering new employees a 401(k)-style option puts UC pension benefits at risk. **This is completely false.** The financial health of UC's pension plan, and UC's ability to pay pension benefits, is fundamentally determined by UC's contributions to the plan and the plan's investment performance, not which retirement benefit option new employees choose.

FACT: Choice of retirement benefits helps more employees.

401(k)-style retirement benefits are very common these days. In 2016, UC added the choice of a 401(k)-style option for new employees, since many employees don't spend their entire career at UC and appreciate having a portable retirement benefit. Offering new employees a choice between a traditional pension or a 401(k)-style plan allows UC to support a broader range of employee needs.

FACT: Other UC unions have agreed to UC's choice program.

Unions representing UC clerical employees, lecturers, librarians and campus physicians have all agreed to UC's retirement choice program for their members.

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Don't Be Fooled.

Don't be fooled by scare tactics and misinformation. UC is not cutting your pension benefits, or eliminating them for new employees. Your pension is not changing, and offering new employees a choice of benefits does not endanger UC's pension plan.

Questions?

You can find more FACTS and answers to common questions about UC's retirement choice program at <https://ucal.us/choicefaq>.