



---

# UCRS Advisory Board

---

## MINUTES

### UNIVERSITY OF CALIFORNIA RETIREMENT SYSTEM (UCRS)

#### ADVISORY BOARD MEETING

#### OFFICE OF THE PRESIDENT

#### 1111 FRANKLIN ST, LOBBY 1

#### OAKLAND, CALIFORNIA

March 6, 2026

10:00 AM

---

**BOARD MEMBERS PARTICIPATING:** Chair Professor David Kleinfeld, Vice Chair Professor Zoran Nenadić, Chief Investment Officer (CIO) Jagdeep Bachher, Vice President - Systemwide Human Resources – Dianna Henderson, Vice Chancellor & Chief Finance Officer UC Merced – Kurt Schnier, Nurse David Yamada, CUCRA Chair Sue Abeles, and CUCEA Chair Joel Dimsdale.

**BOARD MEMBERS ABSENT:** Chief Operating Officer (COO) Rachael Nava, Benefits Manager Dorothy Ong

**UCOP STAFF PARTICIPATING:** Interim Vice President Calvin Turner, Associate Vice President Caín Díaz, Chief Operating Officer Arthur Guimaraes, Senior Managing Director Satish Swamy, Managing Director Marco Merz, Chief of Staff (CIO) Avery Cambridge, Principal Counsel Luis Blanco, Principal Counsel Robert Gaumer, Principal Counsel Sajjad Matin, Executive Director Bill Perez, Executive Director Holli Strauss, Executive Director Hyun Swanson, Director Ruth Satorre, Digital Strategy and Systems Leader Matt Tindol, Senior Director Ming Wung, Manager Thomas Carthron, Manager Aliya Dibrell, Manager Kevin Kennedy, Manager Jennifer Luna, Manager John Monroe, Manager Lahi Oliver, Manager Scott Sylva, Principal Analyst Aaron Locquiao, Principal Analyst Rebecca Preza, Principal Analyst Melissa Rad, Principal Analyst Gloria Sit-Lewis, Communications Specialist Radhika Mellin, and Department Coordinator Marla Cox.

**OTHERS PRESENT:** UCI Director of Technology Jason Valdry, Retiree and CUCRA Vice Chair Emily Galindo Retiree and UPTE representative Paul Brooks, CUCEA Chair-Elect Amy Block-Joy, CUCFA representative Eric Hayes, Retiree and CUCRA member Marianne Schnaubelt, AFSME representative Geoff Goodman, CNA representative Nate Johnson, and additional stakeholders and members of the public.

The meeting officially began at 10:01 a.m.

**PUBLIC COMMENT PERIOD:** Chair Kleinfeld opened the public comment period, noting that it is limited to 30 minutes and that the Advisory Board does not directly respond to comments during this time.

Paul Brooks commended the UC Office of Investments for transitioning the UC Savings Fund to a money market fund and raised questions regarding benchmark selection and ensuring future funds perform in line with benchmarks.

Nate Johnson, representing the California Nurses Association (CNA), raised concerns regarding UC investment exposure to companies such as Palantir and BlackRock, citing ethical and financial considerations. He also raised concerns regarding UC's investment in private credit, including Blue Owl Capital, and questioned whether current trends indicate broader systemic risk in private credit markets.

All comments were received for the record and will be referred to appropriate University offices.

**APPROVAL OF THE MINUTES:** Chair Kleinfeld called for approval of the minutes of the December 5, 2025, meeting. A correction was noted regarding incorrect dates in the header and subsequent pages.

Upon motion duly made and seconded, the minutes were approved with corrections.

**COMMENTS FROM THE CHAIR:** Chair Kleinfeld welcomed new Board Member Dianna Henderson, Vice President of Systemwide Human Resources, noting her prior leadership roles within UCOP and expressing appreciation for her service.

**OFFICE OF THE CHIEF FINANCIAL OFFICER – BUDGET UPDATE:** Associate Vice President Caín Díaz provided an update on the Governor's January budget proposal and the overall state fiscal outlook.

He noted that the proposed budget represents a relatively strong starting point for the University, including increases in state support driven in part by improved revenue projections. However, he emphasized that much of the additional revenue may be one-time in nature.

The proposal includes a combination of base funding increases and restoration of previously deferred funds, resulting in an overall increase in state support. Despite this, UC continues to face a structural funding gap due to rising costs and enrollment growth.

Díaz reported that systemwide core funding revenues are increasing, but expenditures—particularly compensation and benefit costs—are growing at a faster rate. He estimated a structural deficit in the range of approximately \$350–\$400 million.

Chair Kleinfeld requested a listing of major increases in expenses across the UC system and Board Member Zolayvar requested comprehensive reporting on UC Health and medical center financial performance. Associate Vice President Diaz indicated that he and his teams focus on the core funding side and noted it would be helpful to bring a representative from the UC Health enterprise to a future meeting to provide additional detail on UC Health and medical center financial performance.

**CHIEF INVESTMENT OFFICER – REPORT:** Chief Investment Officer Jagdeep Bachher and Managing Director Marco Merz presented updates on the Retirement Savings Program (RSP) and UCRP pension plan performance.

Managing Director Merz reported that RSP assets have continued to grow significantly, driven primarily by investment returns rather than net contributions. He emphasized the importance of long-term investing and remaining invested during periods of market uncertainty.

The UC Savings Fund will be retired and replaced with a UC Money Market Fund on 4/1/26, which will be passively managed and benchmarked against the 3 month T-Bill and employ the same investment strategies used for cash investments in Pension. Additional simplifications to the investment lineup, including consolidation of TIPS funds, will be implemented.

Bachher reported that pension assets remain strong overall, with long-term returns exceeding the assumed rate of return. However, he emphasized that funding status is influenced not only by asset performance but also by growth in liabilities.

He noted that achieving full funding requires consideration of multiple factors, including contributions, investment returns, and actuarial assumptions.

Board members discussed private credit exposure. Bachher explained that UC reduced new investments in private credit beginning around 2018 due to increasing market crowding and changing risk dynamics. Existing investments are expected to mature over the next several years.

**ITEM A – UCRS - RETIREMENT SAVINGS PROGRAM – OPERATIONS AND EDUCATION REPORT:** Manager Jennifer Luna and Communications Specialist Radhika Mellin provided an update on the Retirement Savings Program operations, participant engagement, and education efforts.

Manager Luna reported that the Retirement Savings Program includes approximately 377,000 participants, with 53% of eligible employees making voluntary contributions. Approximately 55% of career employees are on track to replace at least 80% of retirement income.

Fidelity continued to meet all performance standards, handling over 38,000 participant calls during the fourth quarter. Online engagement remains strong, with approximately 65% of active participants accessing NetBenefits and increasing usage through mobile platforms.

Communications Specialist Mellin reported nearly 28,000 workshop and guidance interactions during Q4 2025 and shared that the transition of the Retirement Administration Service Center portal to myUCretirement.com (Phase 1) has been completed.

The Confident Retiree Legacy Planning series continues to be well attended, with over 1,000 participants in sessions focused on estate planning and organizing one's affairs. Part 3 (Accessing UC Benefits and More for Survivors of UC Retirees) is in development.

Board Member Dimsdale commended the program and emphasized the importance of continued outreach and visibility. He requested an annual report that breaks the retirement readiness data out by tier group.

**ITEM B – UCRS - RETIREMENT CHOICE PROGRAM STATISTICS:** Manager Scott Sylva presented an overview of Retirement Choice Program statistics and overall UCRP membership.

He reported that since program inception, over 111,000 employees have been eligible for Retirement Choice, with approximately 58,000–59,000 remaining active. Of these, approximately 62% elected or defaulted to Pension Choice, while 38% selected Savings Choice. Among active employees, Pension Choice participation increases to approximately 65%.

Manager Sylva reviewed membership distribution across tiers, noting that the largest active population is within the 2013 modified tier, particularly among medical center employees who are not eligible for the Choice program. Legacy tiers (1976 and 2013) continue to decline over time. He also provided an overview of UCRP membership as of June 2025, including approximately 156,000 active members and continued growth in benefit recipients, driven by annual retirements.

Trends over time show modest increases in Savings Choice elections, particularly during the latter half of the year, which may correlate with faculty hiring cycles. Manager Sylva noted that implementation of the Second Choice window has contributed to increased understanding and confidence among employees selecting Savings Choice.

Regarding the Second Choice program, approximately 1,400–1,500 participants elected to switch from Savings Choice to Pension Choice in the prior year, with additional elections occurring in 2026. The first cohort of participants will see their Second Choice window close in 2026.

Manager Sylva also highlighted that the first group of Savings Choice participants will become eligible for retiree health benefits in 2026. Communications and administrative processes are being developed to support this population.

Board members discussed trends in employee decision-making and the importance of awareness and education regarding long-term retirement benefits.

**ITEM C – UCRS – RETIREMENT ADMINISTRATION SERVICE CENTER (RASC) AND SYSTEMS - UPDATE:** Item D was discussed prior to Item C; however, the minutes follow the order of the agenda.

RASC Executive Director Bill Perez and Senior Director Ming Wung provided an update on RASC operations, performance metrics, and ongoing service improvements.

Senior Director Wung reported continued progress in operational performance, including improvements in retirement application processing times and overall service levels. A majority of retirement applications are being processed within established service level agreements, with ongoing

efforts to further reduce processing timelines. Call center performance and member satisfaction metrics remain strong, with high satisfaction ratings reported for both contact center interactions and retirement counseling services.

RASC leadership highlighted continued focus on improving survivor benefit processing times, identifying this as a key priority area. Efforts are underway to streamline processes and enhance communication to better support beneficiaries during these transitions.

Retirement Counseling Manager Kevin Kennedy provided an update on retirement counseling services and retirement readiness. He noted strong demand for counseling appointments and emphasized ongoing efforts to expand education and outreach to help employees better understand their retirement options. Enhancements to scheduling tools and increased access to counseling services are intended to improve participant preparedness and decision-making.

Digital Strategy and Systems Leader Matt Tindol provided an update on digital initiatives, including enhancements to the UCRAYS system and broader efforts to improve user experience through a two-track approach: near-term system enhancements and longer-term development toward a more comprehensive, full-service model.

Aaliyah Dibrell Moore provided an update on the Redwood retirement administration recordkeeping system, noting continued growth in self-service utilization for retirement applications since its implementation. Recent system enhancements include updates supporting identity and profile management features, as well as increased adoption of multi-factor authentication to strengthen system security.

Overall, RASC leadership emphasized ongoing efforts to improve efficiency, enhance the member experience, and modernize systems supporting retirement administration.

**ITEM D – UCRS – RETIREMENT ADMINISTRATION SERVICE CENTER (RASC) FRAUD ACTIVITY UPDATE:** Item D was discussed prior to Item C; however, the minutes follow the order of the agenda.

Board Member Joel Dimsdale introduced a discussion regarding recent fraud activity impacting UCRS and UCPath systems.

He noted that incidents of fraud in late 2025 resulted in unauthorized redirection of payments for certain employees and retirees. While acknowledging that identity theft is a broader societal issue, he emphasized the University's fiduciary responsibility to safeguard retirement and payroll systems.

Board Member Dimsdale referenced prior discussions from earlier Advisory Board meetings, including recommendations related to enhanced security measures such as multi-factor authentication and protections against fraudulent account changes. He expressed concern that previously identified risks had not been fully addressed.

UCRS Advisory Board Minutes  
March 6, 2026

The Board discussed the importance of strengthening system safeguards, improving monitoring capabilities, and ensuring timely response to emerging threats.

It was noted that UC has taken steps to improve security measures, including expanded use of multi-factor authentication and system enhancements. However, Board members emphasized the need for continued vigilance and proactive risk mitigation.

UCOP staff acknowledged the concerns and indicated that additional updates on fraud prevention efforts and system security enhancements will be provided in future meetings.

The meeting adjourned at 1:32 pm