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# UCRS Advisory Board

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**MINUTES  
UNIVERSITY OF CALIFORNIA RETIREMENT SYSTEM (UCRS)  
ADVISORY BOARD CONFERENCE CALL  
MONDAY, OCTOBER 24, 2011  
2:00 PM – 3:00 PM**

**DISCUSSION OF PROPOSED UCRP CONTRIBUTION RATES BEGINNING PLAN  
YEAR 2013-2014 THAT WILL BE PRESENTED TO THE REGENTS FOR APPROVAL IN  
NOVEMBER 2011**

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**BOARD MEMBERS PARTICIPATING:** Chair Ross Starr, Vice Chair Shane White, Executive Vice President Nathan Brostrom, Vice President Dwaine Duckett, Vice Chancellor Meredith Michaels, CUCRA Chair Marian Gade, CUCEA Chair Ernest Newbrun, Associate Vice Chancellor Angela Hawkins, Assistant Researcher Catherine Brennan, Spectroscopist Paul Brooks.

**BOARD MEMBERS ABSENT:** Chief Investment Officer Marie Berggren

**STAFF PARTICIPATING:** Chief Financial Officer Peter Taylor, Principal Counsel Barbara Clark, Director Gary Schlingen, Associate Director Maria Anguiano, Specialist Ken Reicher, Principal Analyst Robert Semple.

The teleconference officially began at 2:00 p.m.

**COMMENTS FROM THE CHAIR:** Chair Starr announced that, following a brief description of the proposed contributions by Specialist Reicher, each Board member would have three minutes to comment on the proposed contributions. He further stated that Analyst Semple would be taking notes as background for his (the Chair's) subsequent letter to the President regarding the Board members' comments.

**OVERVIEW OF PROPOSED UCRP CONTRIBUTIONS BEGINNING PLAN YEAR 2013-2014:** Specialist Reicher indicated that the proposed UC (employer) contribution rate beginning July, 2013 for all UCRP members, including those in the new UCRP tier, would be 12%. The proposed rate for non-Safety members in the current UCRP tier would be 6.5% less a \$19 offset, with different rates for Safety and Tier Two members. The Regents had previously approved a member contribution rate of 7% beginning July 2013 for non-Safety members covered under the new UCRP tier (without the \$19 offset). Specialist Reicher clarified that the contributions for represented members in either UCRP tier would be subject to collective bargaining. All employee contributions would be made on a pretax basis. Specialist Reicher concluded by noting that the proposed contributions rates beginning Plan Year 2013-2014 reflect the continued gradual increase in contributions that have been implemented over the past few years and, if approved, will cover UCRP's Normal Cost for the first time since contributions were restarted.

**OVERVIEW OF PRESENTATION TO TFIR ON OCTOBER 21, 2011:** Associate Director Anguiano described the two separate asset transfers to UCRP that were previously approved by The Regents; one in April 2011 for \$1.1 billion from the Short term Investment Pool (STIP) and another in July 2011 for \$935 million, which was garnered from the issuance of bonds. She then briefly reviewed the graphs from her recent presentation to the Faculty Welfare's Task Force on Investment and Retirement (TFIR) on the projected funded ratio of UCRP following the transfers of approximately \$2.1 billion and using different future UC and member contribution rates.

**MEMBER COMMENTS ON THE PROPOSED 2013-2014 UCRP CONTRIBUTIONS:** The Board members' comments on the proposed UCRP contributions beginning Plan Year 2013-2014 were summarized by Chair Starr in a letter that he sent to President Yudof on October 26, 2011. A copy of the letter is attached as an addendum to these minutes.

In closing, the Board requested that staff provide a chart of historical member contribution rates at the November UCRSAB meeting.