UNIVERSITY OF CALIFORNIA

University of California
Retirement Savings Program
Vendor Relations Management Report
Q3 2012

Data provided by Fidelity Retirement Services, UC's master recordkeeper for the DC Plan, 403(b) Plan, and the 457(b) Plan

Fidelity Confidential Information

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Retirement Savings Program
Q3 2012 Highlights

Quarterly Performance Rating: Met Standards in Q2 and Q3

Quarterly Highlights

Master Record Keeper

- Led effort to implement and communicate the transition of 8 Calvert investment option funds to institutional class. Transition was effective 7/31/2012
- Led effort to implement and communicate changes to UC-managed ICC Fund to no longer accept new contributions or transfers in, effective 7/1/2012
- Completed updates to UC's payroll system, electronic interfaces between UC and Fidelity, and administrative processes to allow UC to more efficiently handle corrections and payroll adjustments to the Retirement Savings Program Plans (DCP, 403b, and 457b)
- Conducted Annual Audit and Data Review, and initiated action plans
- Participation Rate hit 50% in Q3 – first time at or above 50% since first quarter 2010

Communications & Education

- Awarded 6 First place & 3 Honorable Mention Hermes Awards
- Presented with a Retirement Readiness Gold Award from the PSCA
- June 2012 Beneficiary solicitation campaign completed. 17,000 of targeted participants updated or designated beneficiaries
- Completed "Simplify Your Savings" Campaign in September
- Kicked-off annual Retirement Review Campaign for February 2013

Retirement Savings Program
Financial Education Performance

Financial Education Program Performance Guarantees

	Trend Indicator	Q3 2012	Q2 2012	Q1 2012	Q4 2011
Workshop ratings	=	met	met	met	met
Timely delivery of enrollment materials	=	met	met	met	met
Fidelity Retirement Counselor activity report	=	met	met	met	met
UC Documents in NetBenefits	=	met	met	met	met

▲ Improving

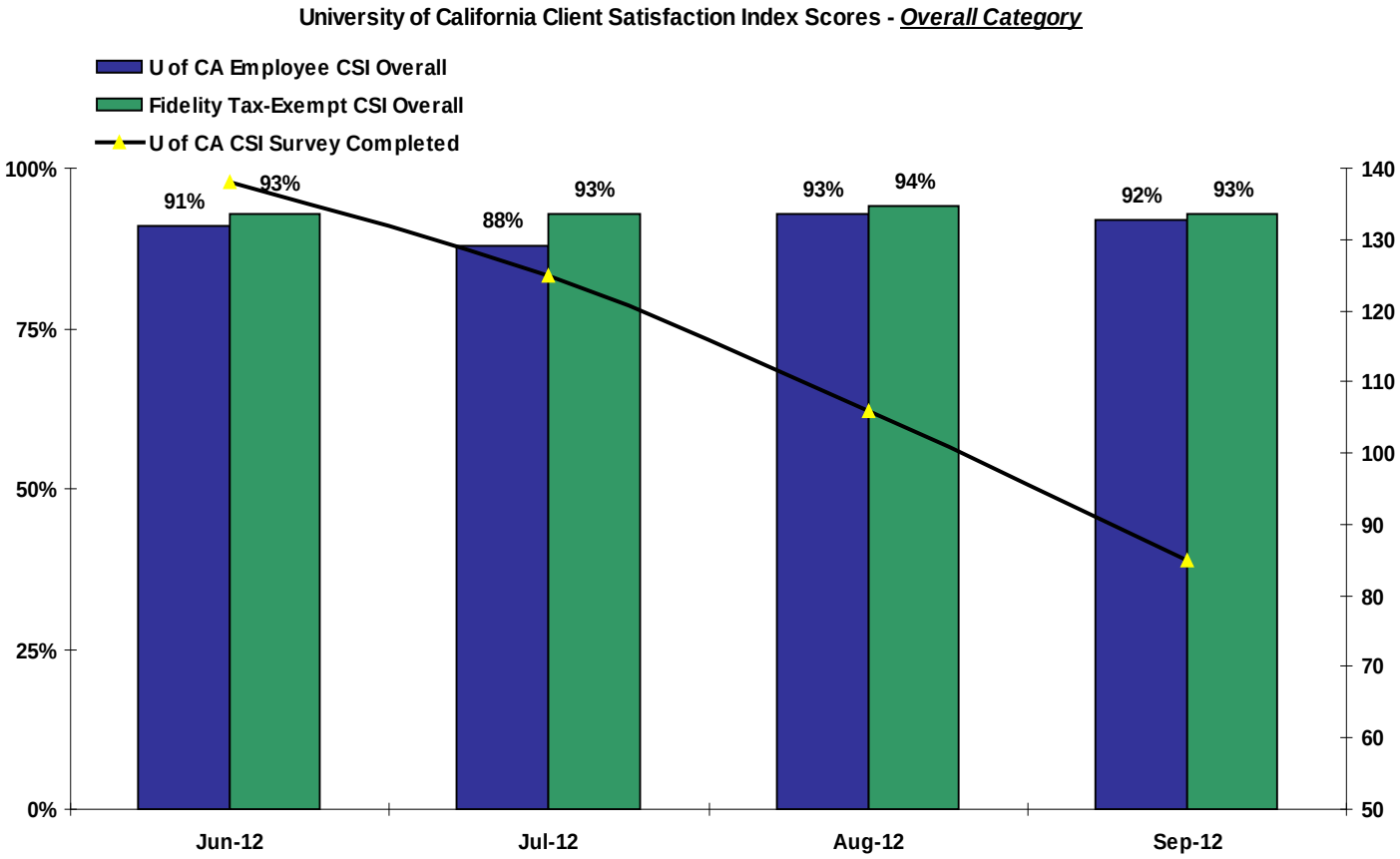
= Stable

● Needs Improvement

UC Employee Satisfaction
Fidelity Participant Services

Customer Satisfaction Index Scores
University of California Plan Participants
June 2012 – September 2012

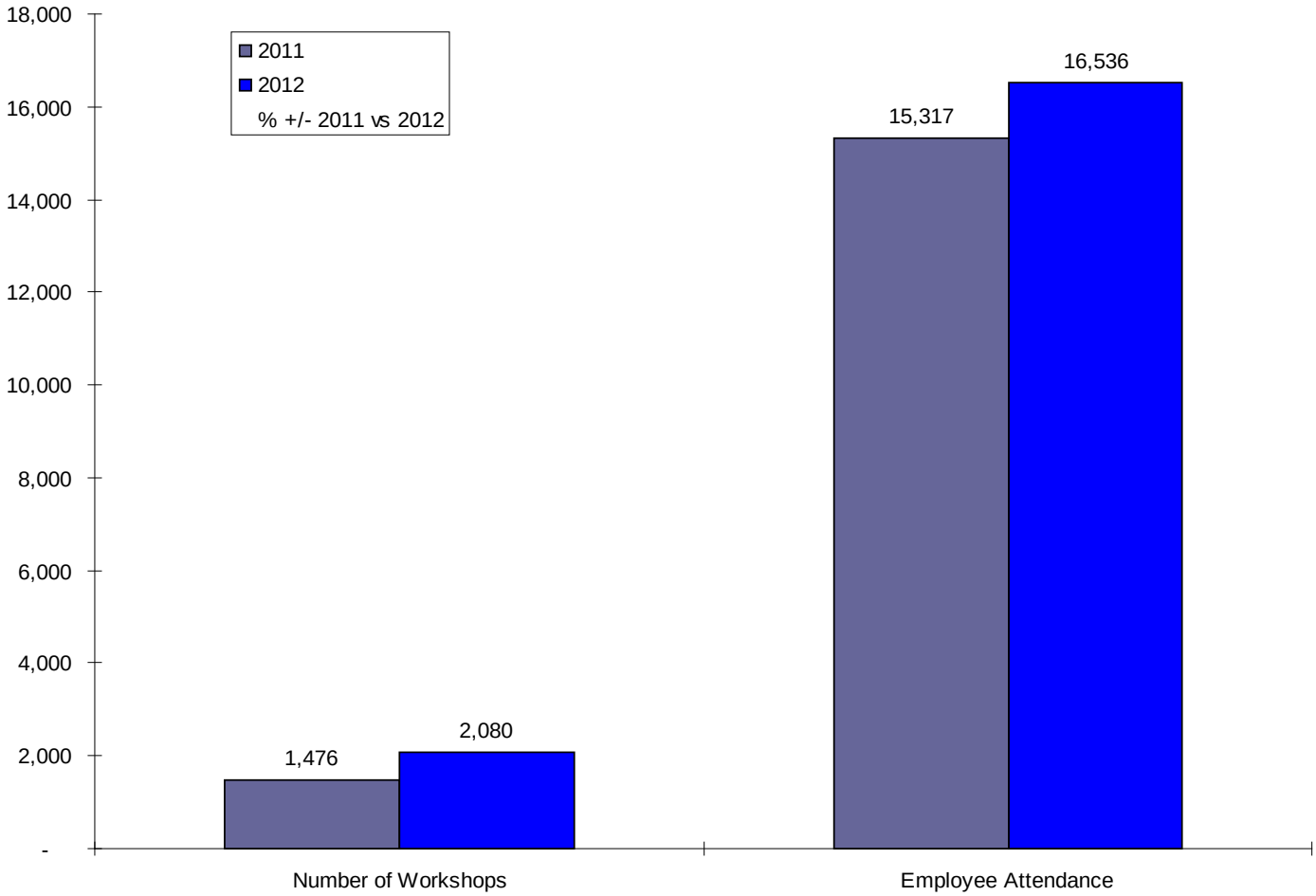
(voluntary survey completed after speaking with a Fidelity Retirement Services Specialist)



Rolling 4-month comparison of Top 2 Box (Very Satisfied & Satisfied) CSI scores for the University of California participants vs. Fidelity Retirement Services Tax-Exempt Market

Retirement Savings Program
Financial Education Workshop Summary

Workshop Summary
Through September 2012



	Overall Workshop Rating "Excellent" or "Very Good"	Overall Presenter Rating "Excellent" or "Very Good"	# of Surveys
July 2012	96%	97%	317
August 2012	97%	99%	269
September 2012	97%	99%	117
		total	703

Retirement Savings Program
Fidelity's Administrative Performance

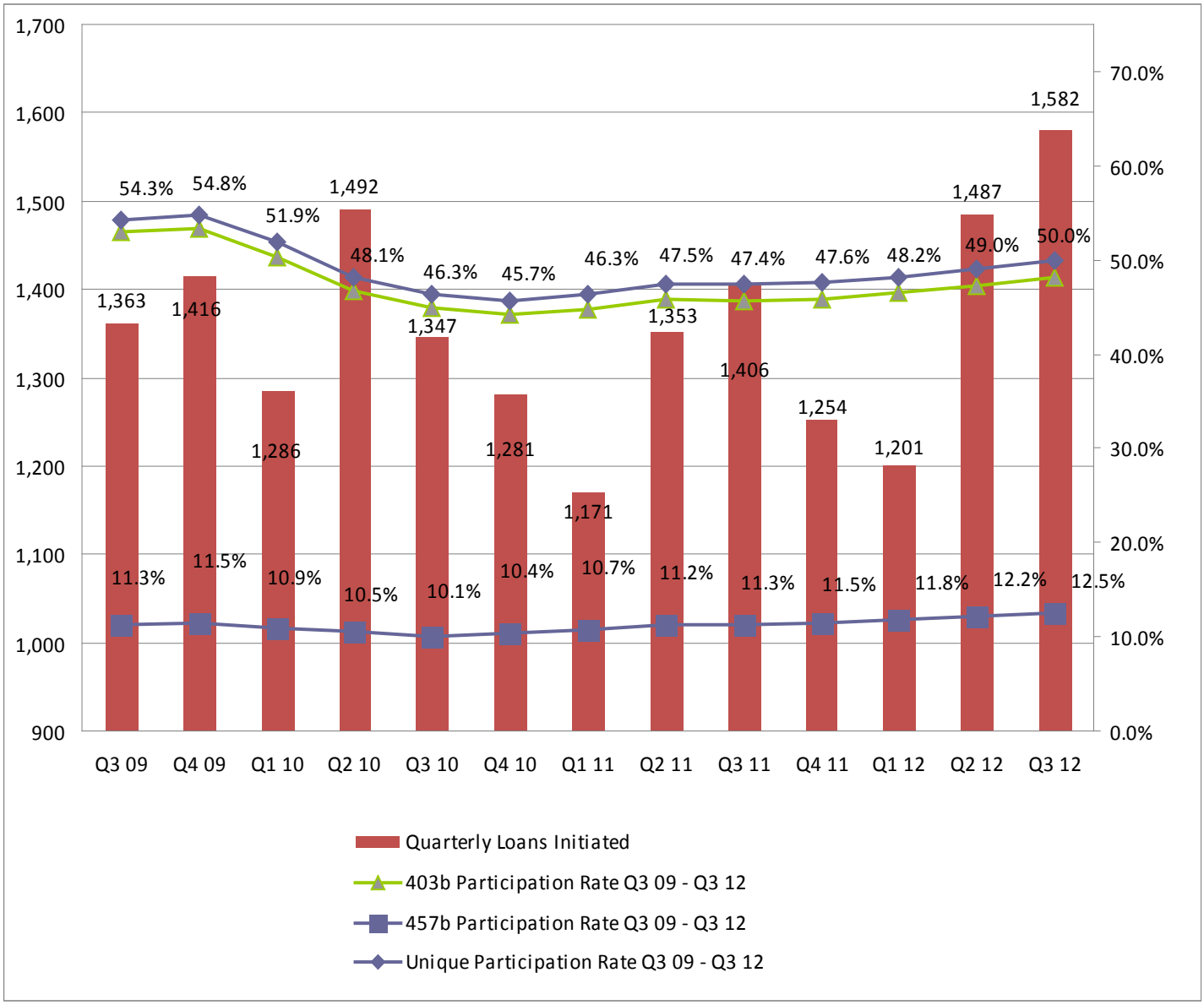
	Performance Standard	Q3 Result	Q3 '12	Q2 '12	Q1 '12
Average Speed to Answer	30	met	23	17	10
Call Abandonment	3%	met	1%	1%	1%
VRS Availability	99%	met	100.00%	100.00%	99.98%
NetBenefits Availability	99%	met	99.67%	99.88%	99.85%
PSW Availability	99%	met	99.88%	99.96%	99.92%
One-and-Done Rate	85%	met	97.14%	97.80%	96.40%
Case Management	90% in 5 bus. days 99% in 10 bus. days	met met	98.75% 100.00%	98.70% 100.00%	99.66% 99.91%
Contribution Reconciliation	same day	met	100.00%	100.00%	100.00%
Withdrawal/loan Processing	99%	met	99.99%	99.98%	99.99%
Quarterly Statements	20th next month	met	yes	yes	yes
Plan Sponsor Service Review	annual	met	complete	complete	complete
Participant Survey	annual	met	complete	complete	complete
Enrollment Materials	90% rec w/in 2 weeks	met	yes	yes	yes
RC Activity Report	monthly	met	yes	yes	yes
Annual Business Planning	annual	met	complete	complete	complete
UC Documents in NetBenefits	72 hours	met	yes	yes	yes
Overall Workshop Rating	90%	met	96.54%	98.01%	96.56%

Retirement Savings Program
Key Statistics

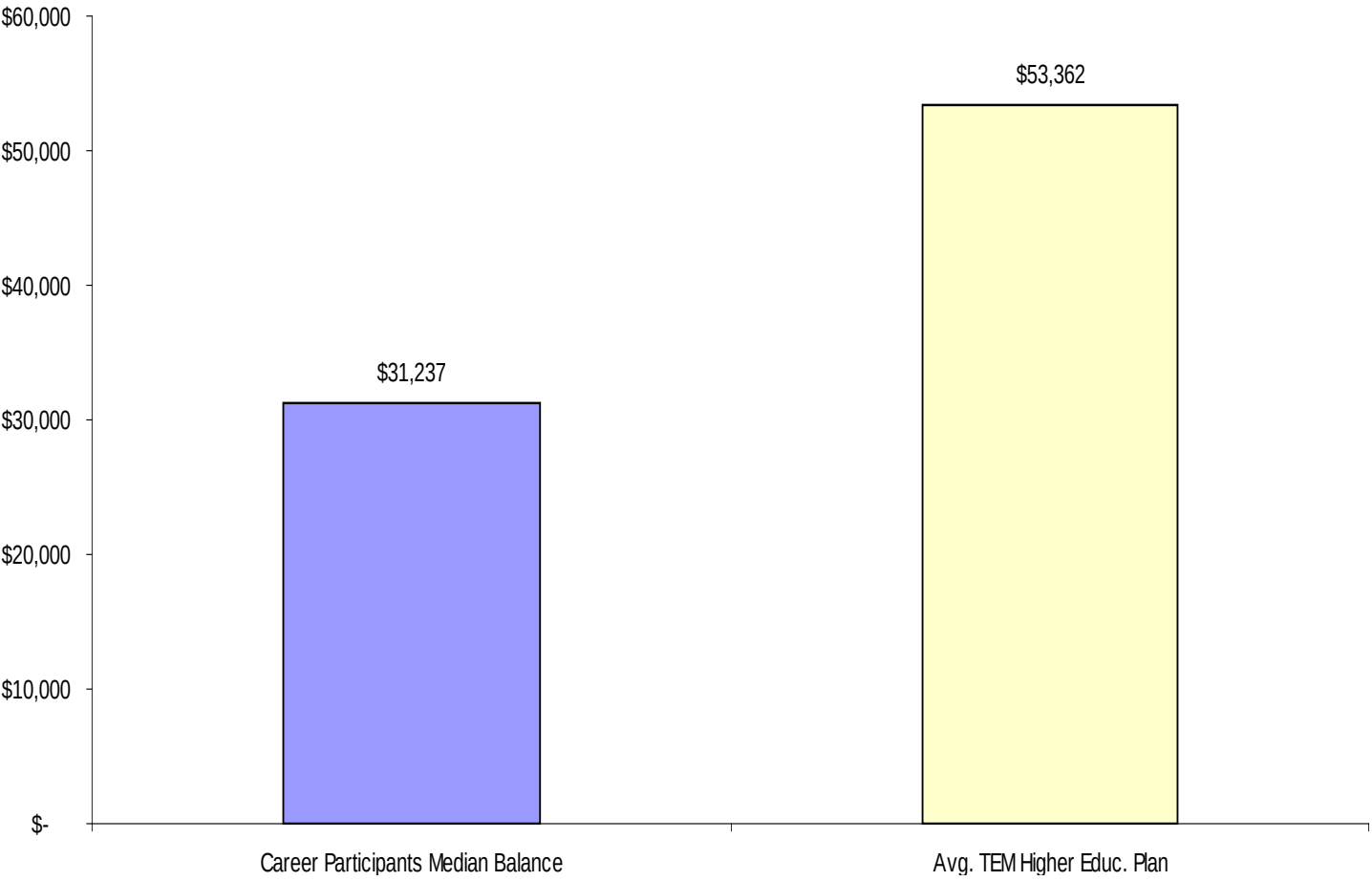
		UC RSP 09/30/2012	% Change vs 06/30/2012	% Change vs 09/30/2011
Total Assets UC Funds		$12.35B	3%	11%
Total Assets Fidelity Funds		$4.30B	6%	21%
Total Assets Other		$400M	7%	31%
Total Plan Assets		$17.05B	4%	14%
Net Cash Flow		11.5M	(67%)	(89%)
Career Participants				
**Plan Participation Rate	403b	48.2%	2%	6%
	457b	12.5%	3%	11%
**Average Deferral Rate	403b	10.6% / $796	2% / 2%	(1%) / 2%
	457b	10.7% / $1,305	3% / 3%	(3%) / 0%
**Median Partcipant Balance	403b	$29,936	3%	11%
	457b	$22,727	3%	10%
**Average Partcipant Balance	403b	$83,649	4%	14%
	457b	$52,369	5%	19%

**** Data taken from quarterly UC report (Active participants in 403b and 457b plans).**

Retirement Savings Program
New 403(b) Loan to Participation Rate Analysis

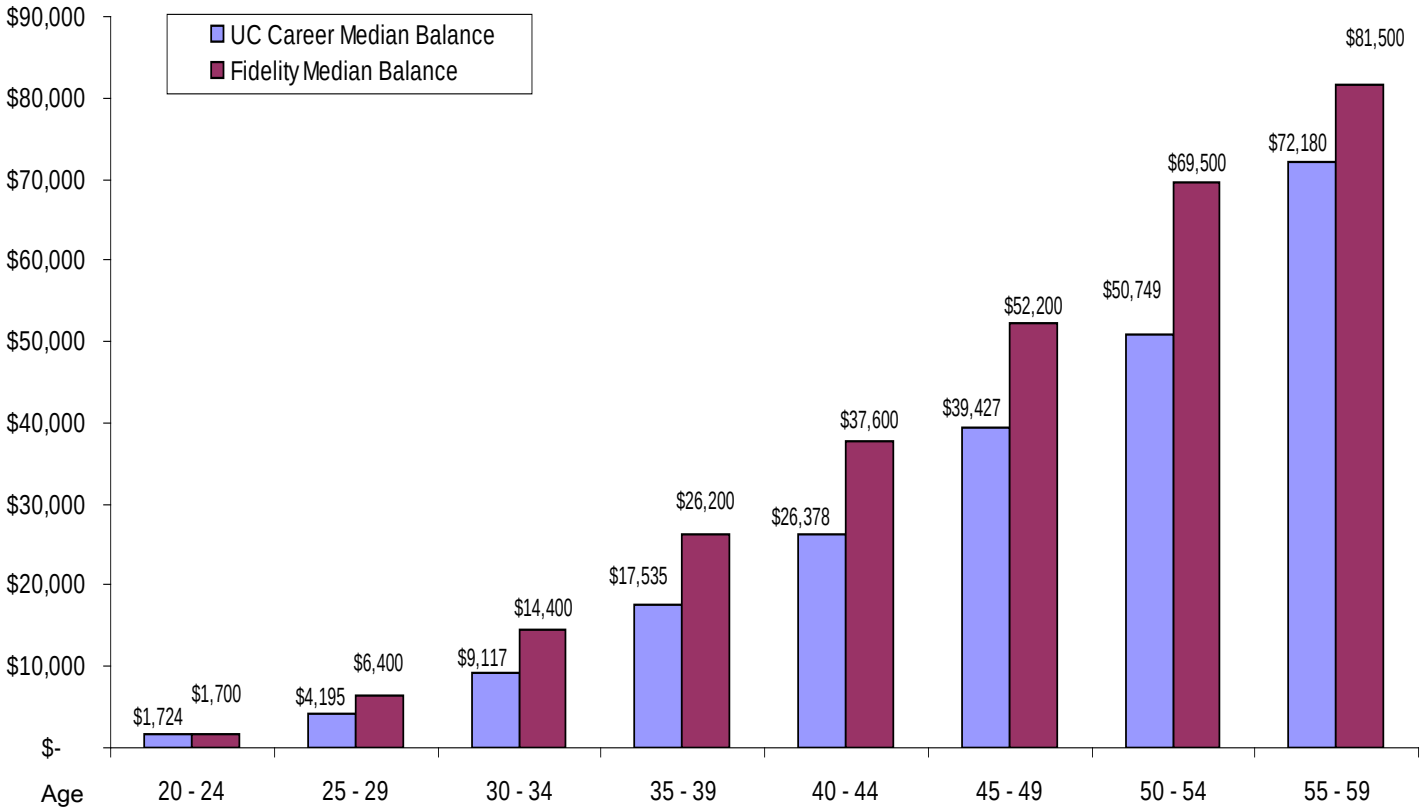


Retirement Savings Program
UC Median Balance vs.
Average Tax Exempt Market Participant Balance



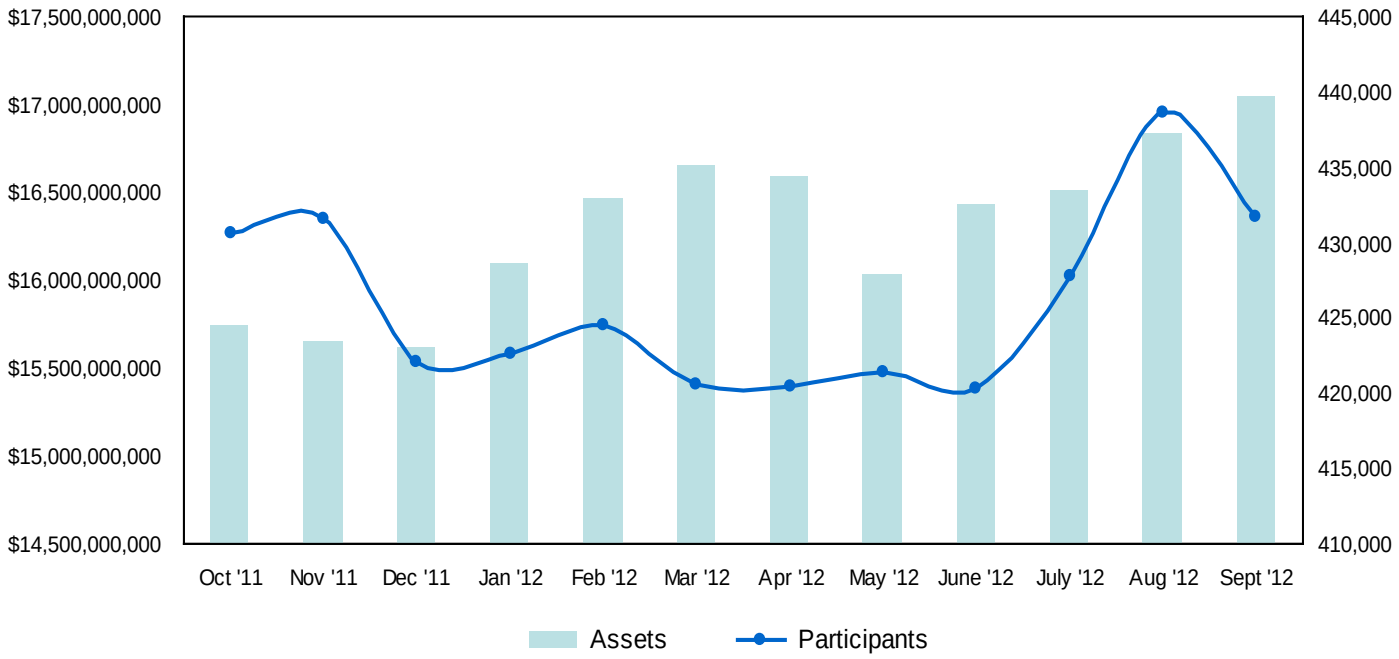
Data taken from quarterly UC report (Total balance of 403b and 457b plans)

Retirement Savings Program
Active Participants Median Balance by Age



Data taken from quarterly UC report (Total balance of 403b and 457b plans)

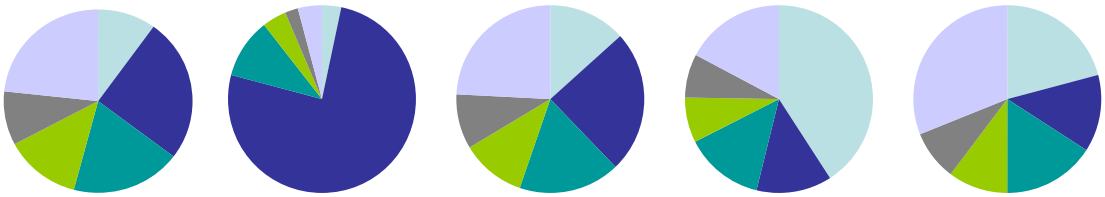
Retirement Savings Program
Plan Assets Under Management at Fidelity



As of 9/30/2012	403b	DCP	457b	Total
Total Participants	124,083	281,928	25,675	431,686
Active Participants	75,839	173,211	19,339	268,389
Inactive Participants	48,244	108,717	6,336	163,297
Total Plan Assets	$11,967,452,920	$3,800,278,334	$1,281,750,182	$17,049,481,436

Retirement Savings Program
Single-Investment Option Holders

Information as of 9/30/2012



How many participants hold:	403b	DCP	457b	Industry peers	Same-size peers
1 Fund (Lifecycle Fund)	10.1%	3.5%	13.2%	40.9%	20.8%
1 Fund (Non-Lifecycle Fund)	25.2%	75.6%	24.4%	12.9%	13.5%
2 Funds	18.9%	10.4%	17.8%	13.8%	15.9%
3 Funds	12.9%	4.0%	11.0%	7.7%	10.2%
4 Funds	9.5%	2.2%	9.5%	7.4%	8.6%
5 or more Funds	23.3%	4.2%	24.1%	17.3%	31.1%
Average # of Funds Held	3.5 funds	1.5 funds	3.5 funds	1.8 funds	3.3 funds

		Participants holding this fund			
Funds held as a single investment	**Asset class**	403b	DCP	457b	**Total**
UC SAVINGS FUND	Money Market or Short-Term	14,888	194,741	2,025	211,654
UC EQUITY FUND	Domestic Equity	6,125	6,913	882	13,920
UC BALANCED GROWTH	Balanced/Hybrid	3,244	2,012	867	6,123
UC ICC FUND	Managed Income or Stable Value	1,201	1,162	411	2,774
UC BOND FUND	Bond	835	797	302	1,934
Plus 181 other funds	-	4,929	7,557	1,760	14,246
Lifecycle Funds	-	12,495	9,756	3,395	25,646
BrokerageLink	-	65	46	23	134
Total		99,798	283,972	74,935	276,431

For plans that offer Fidelity BrokerageLink, it will appear as a fund (rather than a product offering) for purposes of providing plan data.

Retirement Savings Program
Cash Flow Summary

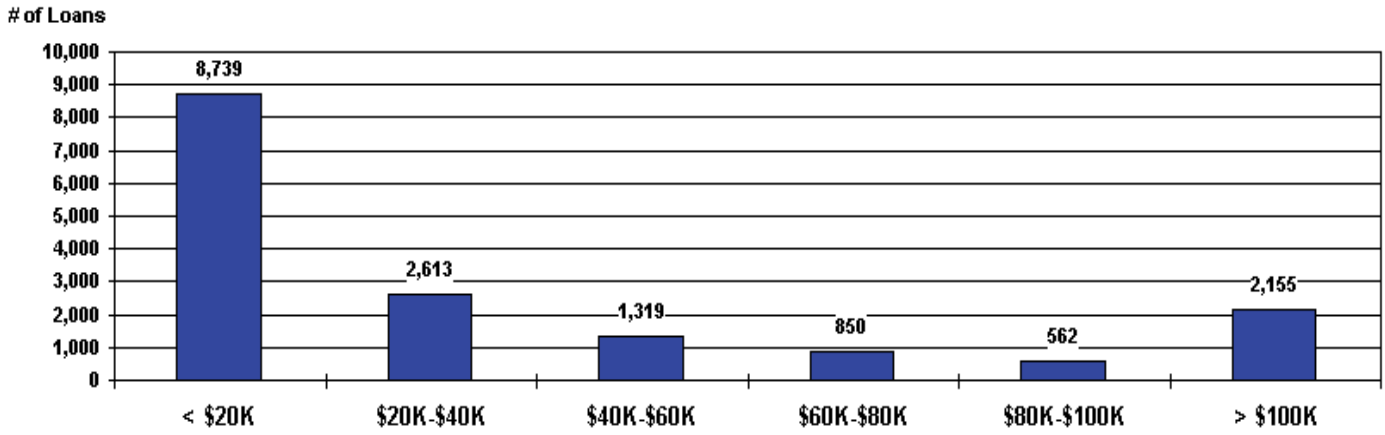
Cash Inflow	Quarter ending: 9/2012	Quarter ending: 6/2012
Contributions		
403b:	$ 98,728,189	$121,628,511
457b:	$ 30,500,945	$ 41,221,420
DCP:	$ 29,219,821	$ 21,733,304
Rollover/Transfer In:	$ 77,443,029	$ 35,284,251
Total	$235,891,984	$219,867,486
Loan Repayments	$ 12,839,280	$ 12,193,131
Interest on Loans	$ 1,474,795	$ 1,454,647
Balance Forward	$ 10,210	$ 4,580
Total Cash Inflow	$250,216,269	$233,519,844

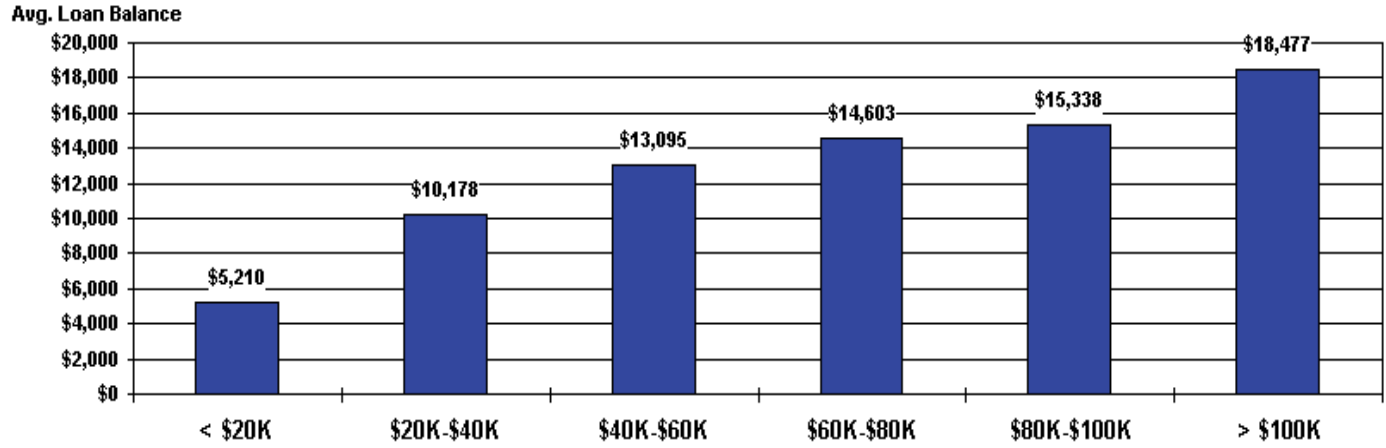
Cash Outflow	Quarter ending: 9/2012	Quarter ending: 3/2012
Loan Withdrawals	($ 17,867,356)	($ 18,418,686)
Withdrawals		
Full Payout:	($148,716,274)	($113,187,229)
Partial Distribution:	($ 31,048,616)	($ 23,878,388)
Age 59.5:	($ 22,361,424)	($ 23,652,957)
MRD:	($ 8,142,443)	($ 8,820,774)
De Minimis Distribution:	($ 3,238,067)	($ 1,819,753)
Systematic Withdrawal Payments:	($ 3,200,846)	($ 3,694,804)
Partial After Tax/Rollover Payout:	($ 2,227,919)	($ 2,820,486)
Hardship-Sponsor Directed:	($ 1,396,625)	($ 1,032,788)
Age 70.5 In-Service Distribution:	($ 218,267)	($ 187,935)
Transfer of Assets:	($ 77,928)	($ 710,982)
Unforeseen Emergency:	($ 68,359)	($ 56,022)
Total	($220,696,768)	($179,862,118)
Transaction-based Fees	($ 171,483)	($ 171,483)
Total Cash Outflow	($238,735,607)	($198,452,287)
Net Cash Flow	$ 11,480,662	$ 35,067,557

Retirement Savings Program
Loans by Participant Account Balance

Loans by Participant Account Balance

as of 9/30/2012





Total Participants in balance category:	47,072 Participants	18,001 Participants	10,847 Participants	7,544 Participants	5,772 Participants	34,847 Participants

	Total Loans	Original Amount	Outstanding Loans	Outstanding Balance	Loans Defaulted	Default Amount
3 Month Change	-53	$2,569,639	-59	$2,340,881	140	$1,857,755
6 Month Change	233	$5,236,837	230	$5,034,528	184	$2,044,728
9 Month Change	328	$4,685,507	325	$4,509,898	221	$1,937,933
12 Month Change						

Retirement Savings Program Account Access Comparison and Participant Access Volumes

Account Access Comparison

10/1/2011 - 9/30/2012

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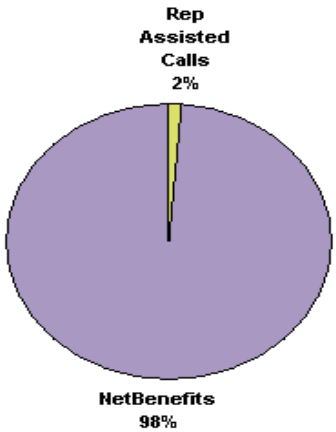

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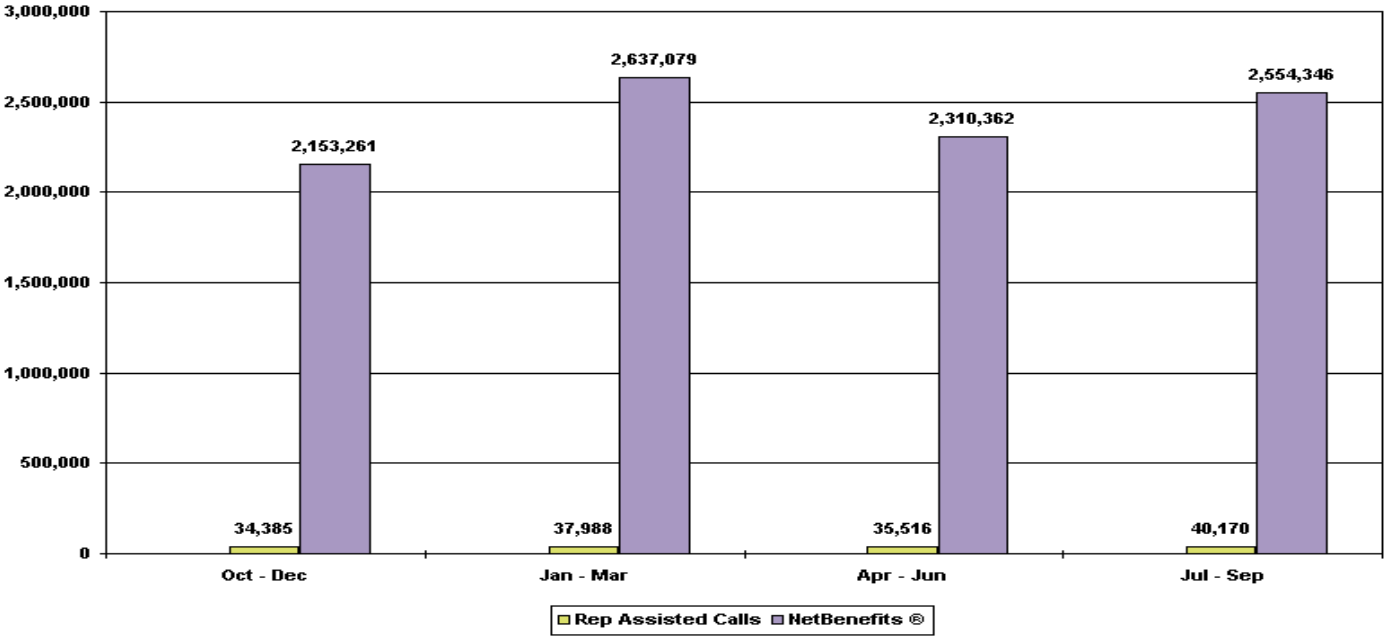
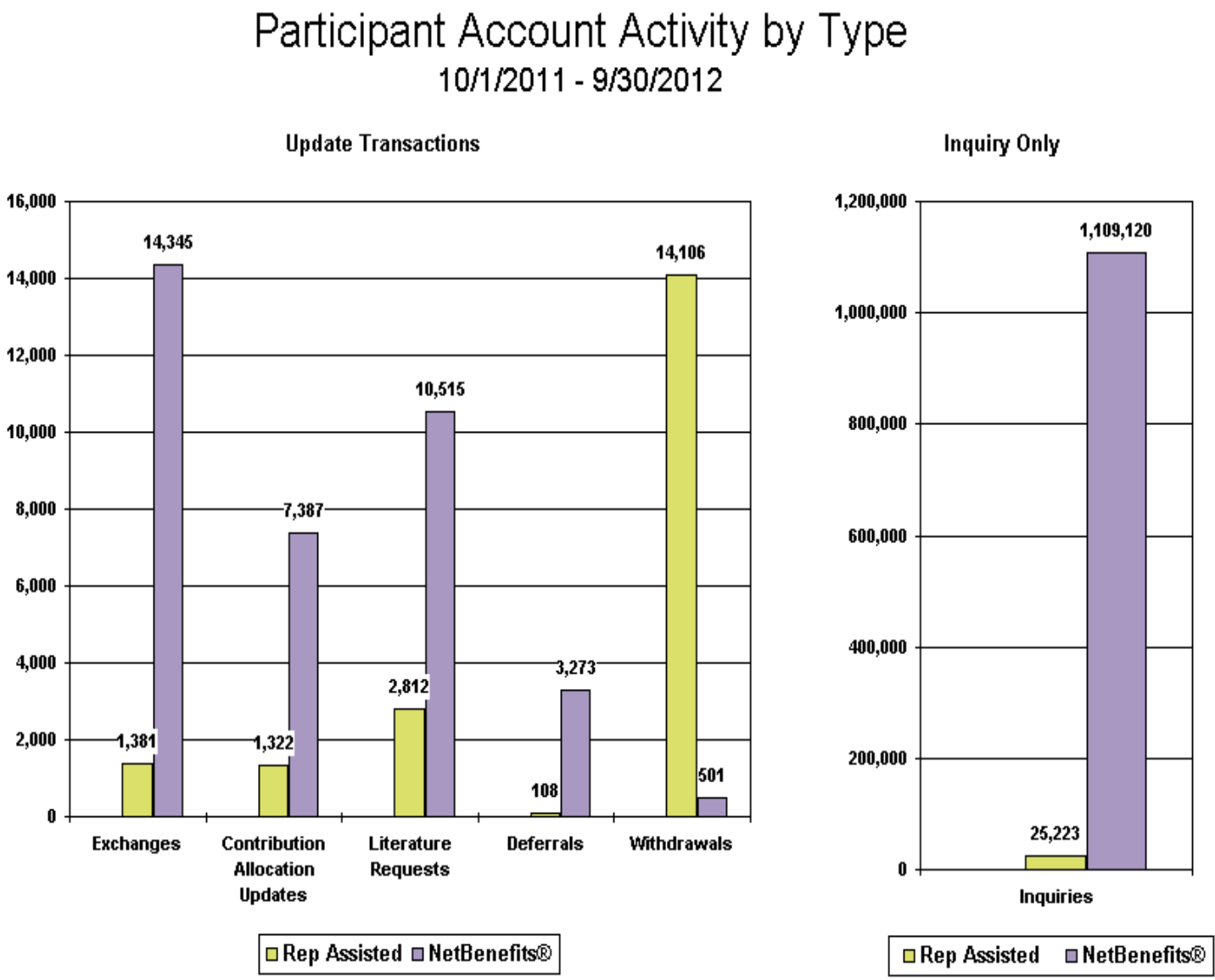
Participant Access Volumes

10/1/2011 - 9/30/2012



Retirement Savings Program
Participant Account Activity by Type