UNIVERSITY OF CALIFORNIA

Retirement Savings Program

Vendor Relations Management Report

Q3 2013

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 2013 Highlights

Quarterly Performance Rating: average speed to answer & call abandonment targets not met

Quarterly Highlights

Overall

- $18.33 billion in assets
- 301,282 unique participants with a balance
- For 403(b) plan: Average participation rate 48.9% and deferral rate 10.4%

Master Record Keeping

- Completed beneficiary designation solicitation campaign in October to roughly 200,000 participants
- Default online statement program ready to launch in 2014.

Communications & Education

- 2,090,038 log-ins to NetBenefits site; 37,513 calls to Fidelity customer service center
- Completed “Participate” campaign targeting age 35-45 group who are not enrolled. Increased participation by 1.4% and increased retirement readiness score by 5.3% for target group.
- Planning “Save More” campaign aimed at increasing deferral rates for those currently contributing less than $500 or 10%.

Retirement Savings Program
Financial Education Performance

Financial Education Program Performance Guarantees

	Trend Indicator	Q3 2013	Q2 2013	Q1 2013	Q4 2012
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

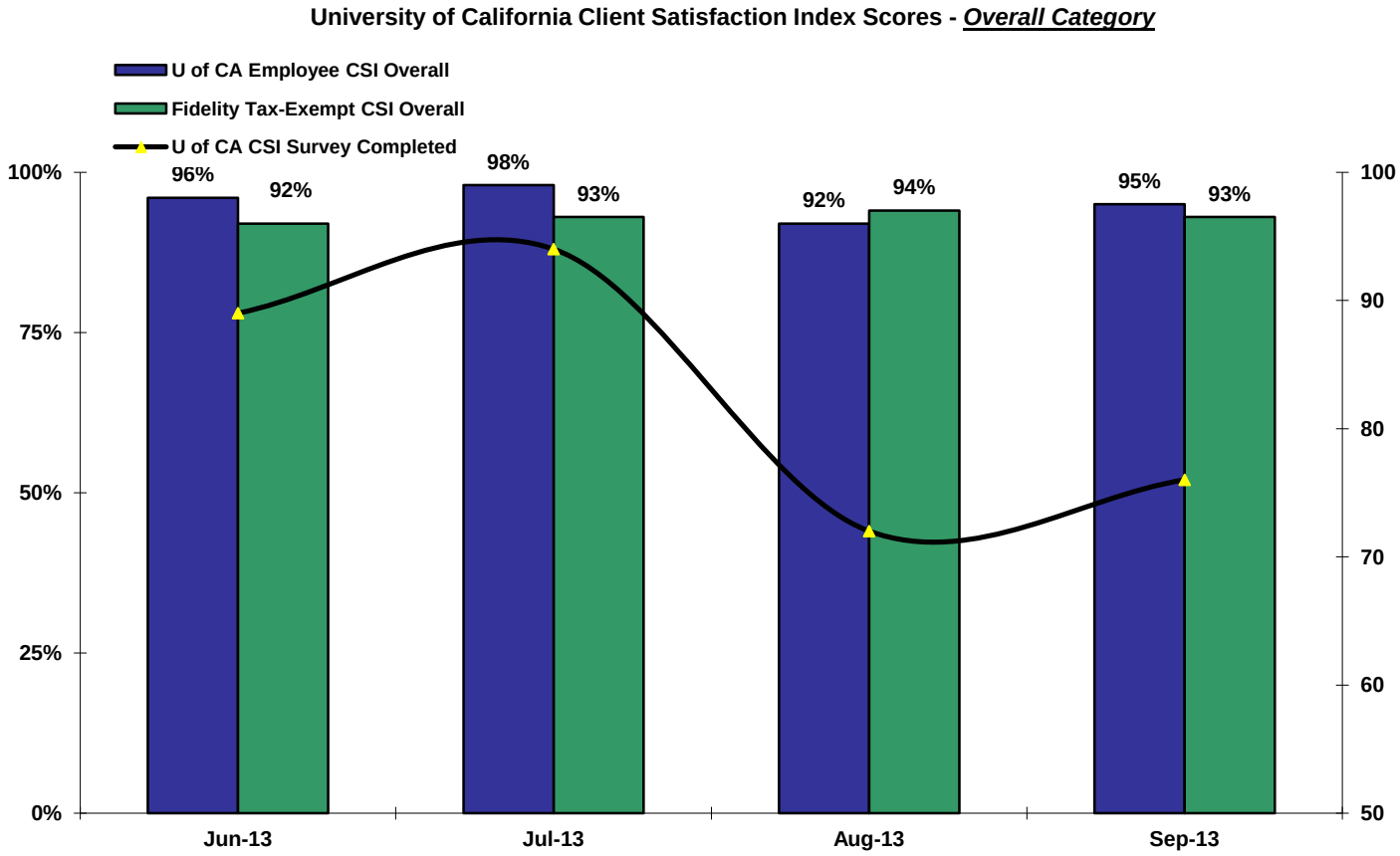
= Stable

● Needs Improvement

UC Employee Satisfaction
Fidelity Participant Services

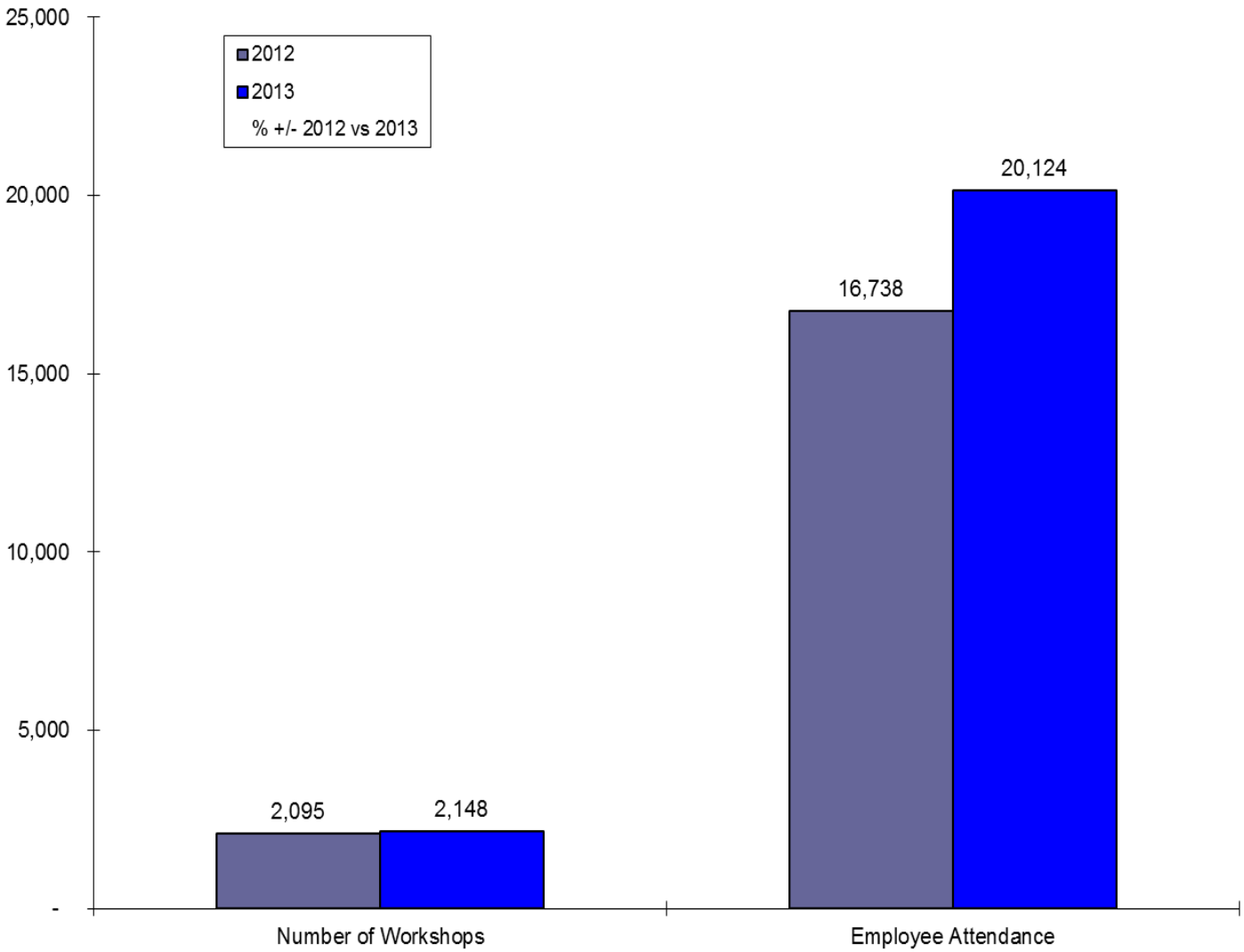
Customer Satisfaction Index Scores
University of California Plan Participants
June 2013 – September 2013

(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



	Overall Workshop Rating "Excellent" or "Very Good"	Overall Presenter Rating "Excellent" or "Very Good"	# of Surveys
July 2013	**95%**	**97%**	**149**
August 2013	**100%**	**100%**	**105**
September 2013	**99%**	**100%**	**136**
		total	**390**

Retirement Savings Program
Fidelity's Administrative Performance

	Performance Standard	Q3 Result	Q3 '13	Q2 '13	Q1 '13
Average Speed to Answer	30	not met	64	40	29
Call Abandonment	3%	not met	4	2	2
VRS Availability	99%	met	100.00%	99.90%	100.00%
NetBenefits Availability	99%	met	100.00%	99.84%	99.94%
PSW Availability	99%	met	99.09%	99.54%	99.89%
One-and-Done Rate	85%	met	98.10%	97.81%	97.10%
Case Management	90% in 5 bus. days	met	97.77%	99.06%	98.83%
	99% in 10 bus. days	met	99.88%	99.82%	99.83%
Contribution Reconciliation	same day	met	100.00%	100.00%	100.00%
Withdrawal/loan Processing	99%	met	99.98%	99.97%	99.98%
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	97.69%	98.77%	98.82%
Portal - Data Accuracy	100%	met	yes	yes	yes
Portal - Accuracy of Output	100%	met	yes	yes	yes
Portal - Access	98%	met	yes	yes	yes
Portal - Maintenance/link accuracy	100%	met	yes	no	yes

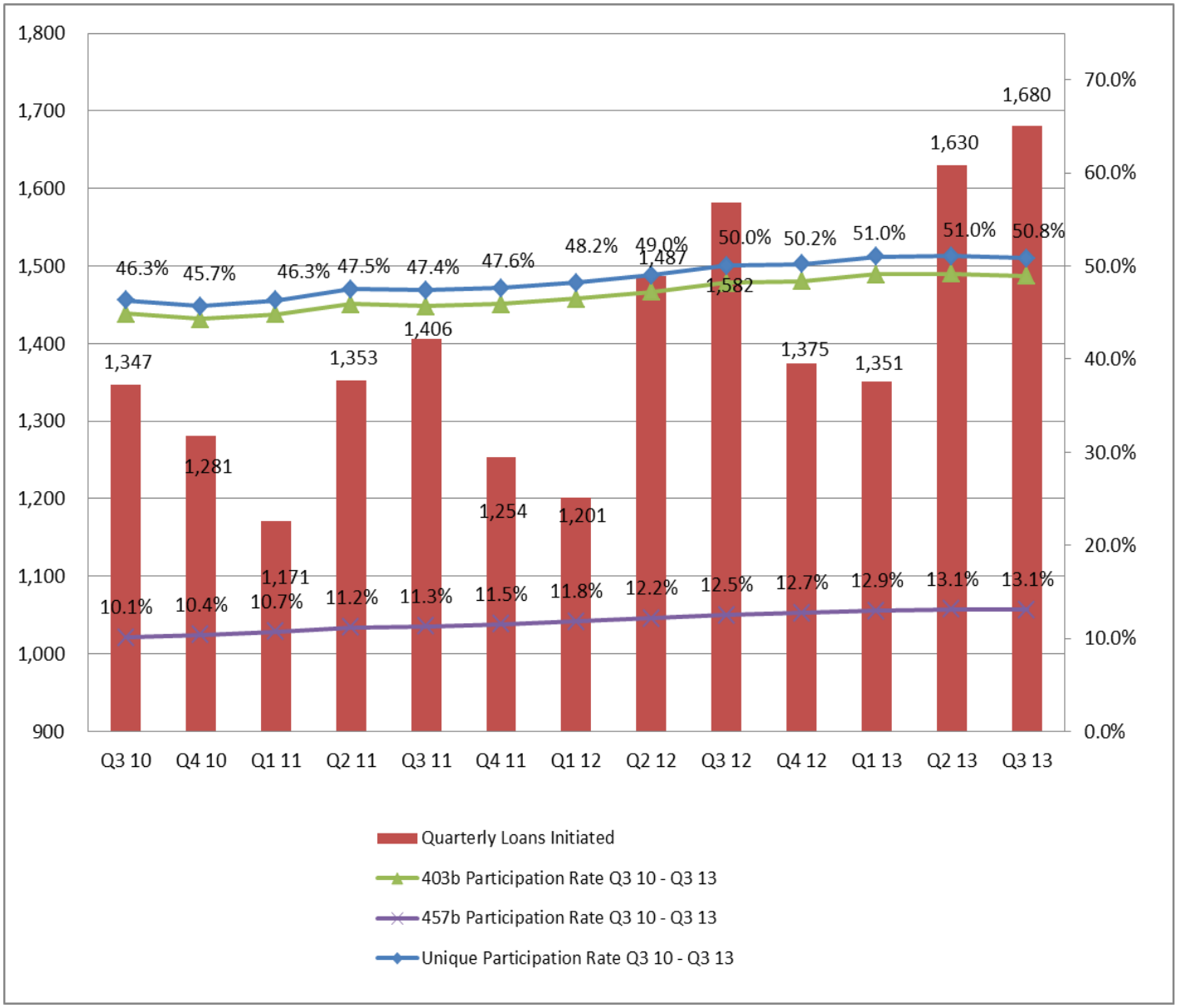
Retirement Savings Program
Key Statistics

		UC RSP 9/30/2013	% Change vs 6/30/2013	% Change vs 9/30/2012
Total Assets UC Funds		$14.63B	2%	16%
Total Assets Fidelity Funds		$3.07B	11%	-29%
Total Assets Other		$638M	11%	432%
Total Plan Assets		$18.34B	4%	8%
Net Cash Flow		(33.07M)	*--	*--
Career Participants				
**Plan Participation Rate	403b	48.9%	-0.4%	1%
	457b	13.1%	-0.2%	4%
**Average Deferral Rate	403b	10.4% / $821	(1%) / 1%	(2%) / 3%
	457b	10.2% / $1,298	0% / 2%	(5%) / (.5%)
**Median Partcipant Balance	403b	$31,833	5%	6%
	457b	$23,458	5%	3%
**Average Partcipant Balance	403b	$91,238	6%	9%
	457b	$58,798	7%	12%

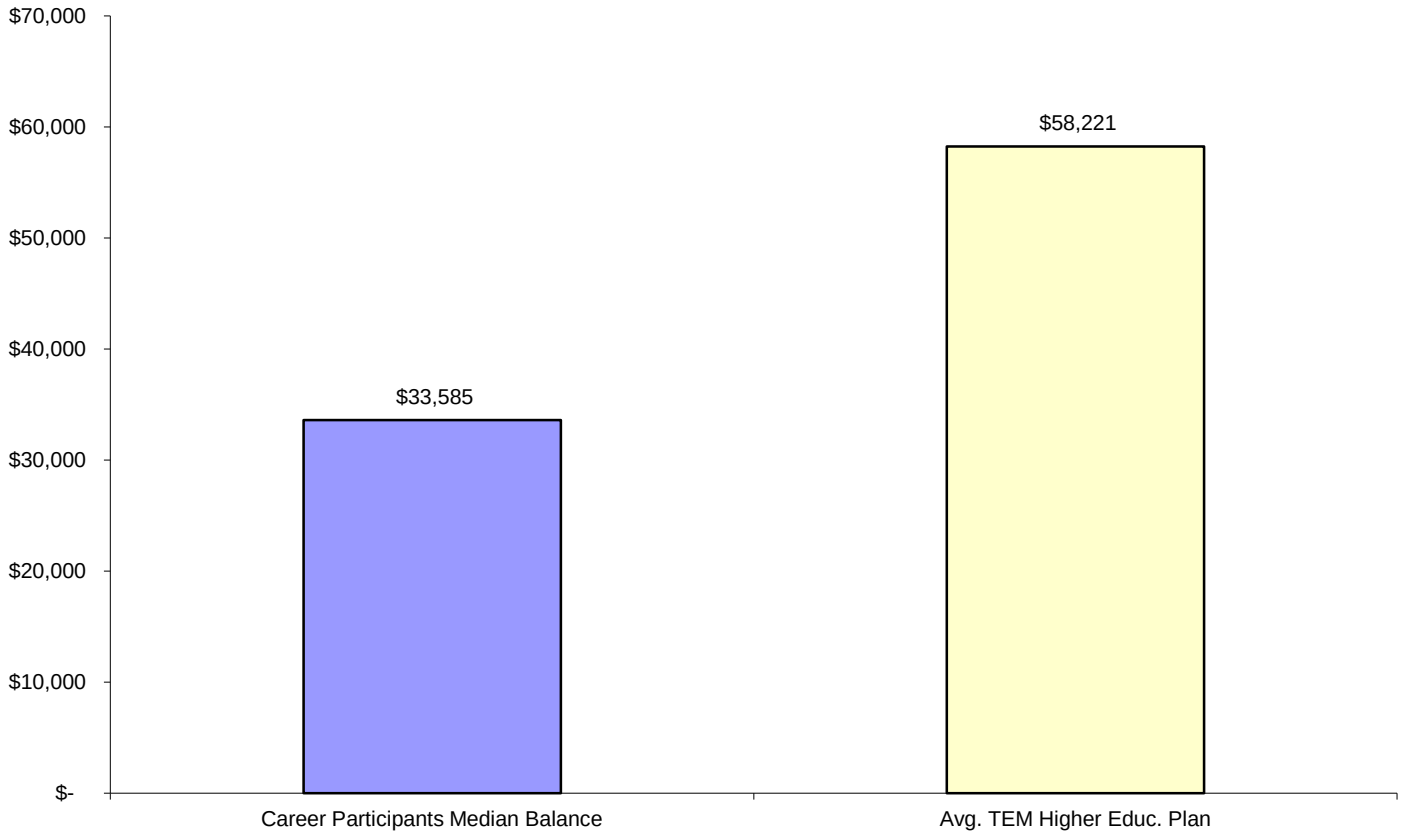
***Net Cash Flow for Quarter Ending 9/30/13 was (33.07M) in which case % Change becomes irrelevant.**

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

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

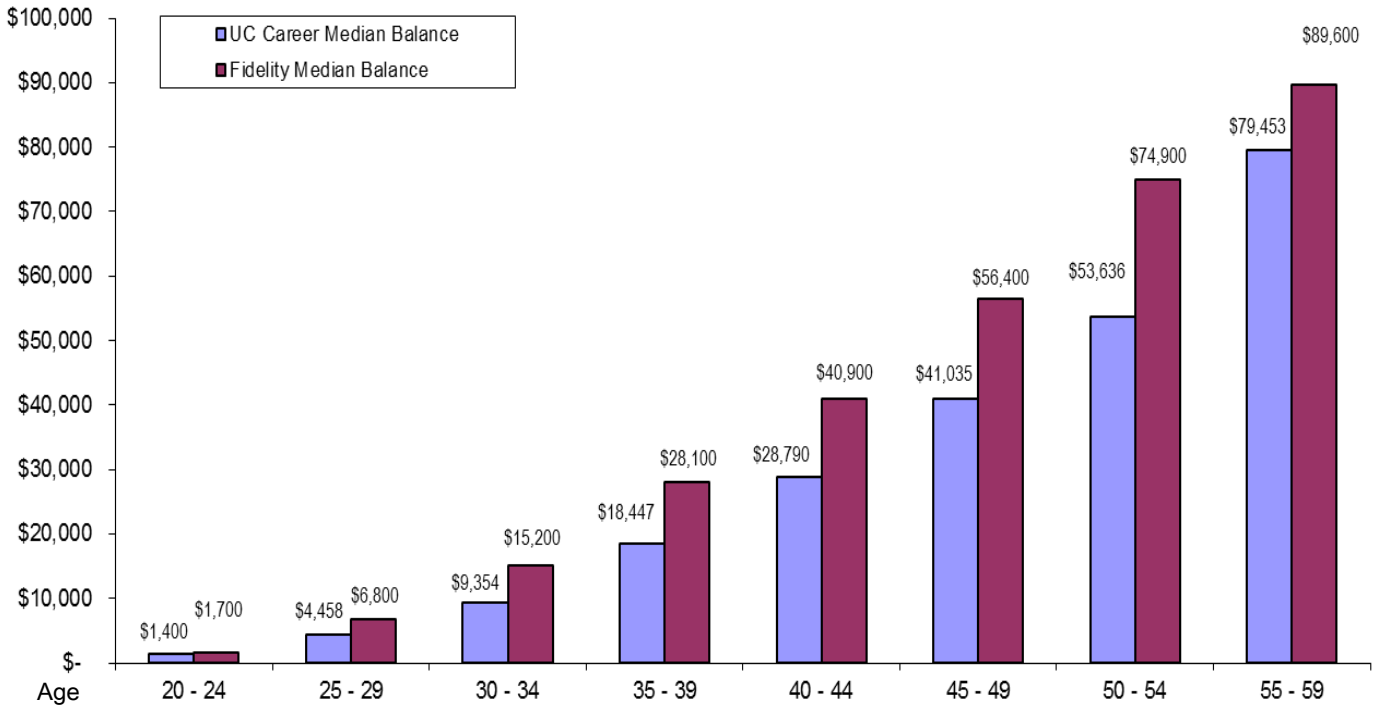


Retirement Savings Program
UC Median Balance vs.
Average Tax Exempt Market Participant Balance



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 & UCRP Retirement Readiness Scores

Systemwide Retirement Readiness Scores

Age	20 - 24	25 - 29	30 - 34	35 - 39	40 - 45	46 - 49	50 - 54	55 - 59	60 - 64	65+	System
RR Score of 80%	97.3%	94.8%	81.9%	64.2%	56.4%	51.1%	49.1%	45.5%	36.9%	51.2%	60.0%

Systemwide Retirement Readiness Scores

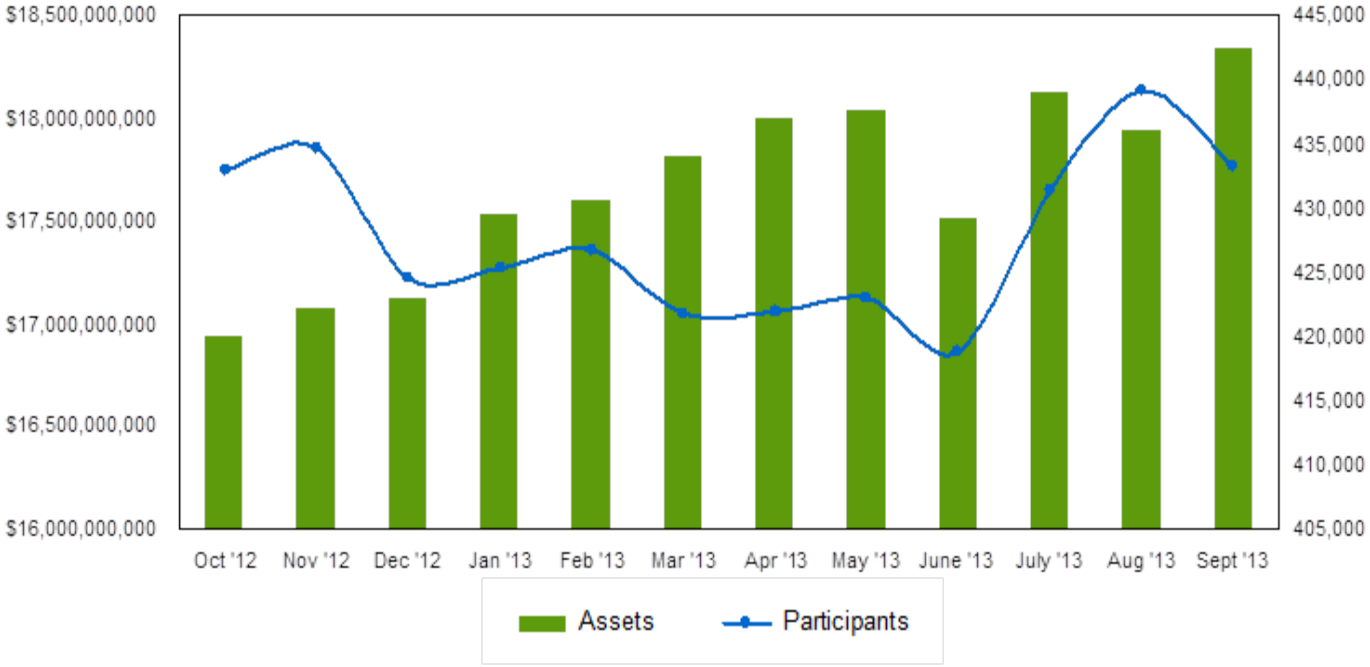
Campus	20 - 24	25 - 29	30 - 34	35 - 39	40 - 45	46 - 49	50 - 54	55 - 59	60 - 64	65+	All Ages
< $47,000	97.1%	95.8%	79.8%	55.8%	39.6%	31.7%	28.5%	23.4%	19.5%	22.2%	56.0%
$47,001 - $93,000	93.1%	93.4%	83.2%	63.8%	58.7%	55.4%	53.9%	49.7%	36.9%	41.0%	60.1%
$93,001 - $140,000	100.0%	84.4%	82.0%	74.0%	70.9%	67.8%	65.0%	58.8%	52.2%	67.0%	66.1%
> $140,000		100.0%	88.5%	72.0%	69.2%	64.3%	67.1%	61.0%	58.1%	75.0%	66.4%
All Wages	96.7%	95.0%	81.8%	63.2%	56.5%	52.3%	51.0%	47.3%	40.5%	56.5%	60.2%

Medical Center	20 - 24	25 - 29	30 - 34	35 - 39	40 - 45	46 - 49	50 - 54	55 - 59	60 - 64	65+	All Ages
< $47,000	97.8%	94.5%	74.9%	49.8%	36.6%	28.0%	24.6%	21.3%	13.9%	10.3%	52.0%
$47,001 - $93,000	98.5%	94.3%	82.0%	65.3%	55.0%	45.0%	42.9%	37.8%	23.3%	20.5%	59.2%
$93,001 - $140,000	100.0%	94.6%	89.4%	76.1%	66.5%	61.6%	55.3%	50.6%	33.2%	34.7%	64.2%
> $140,000		92.6%	93.5%	80.0%	73.3%	70.8%	67.8%	60.6%	52.4%	64.0%	67.8%
All Wages	98.1%	94.4%	81.8%	65.3%	55.4%	48.1%	45.1%	41.8%	29.0%	32.4%	59.3%

Other	20 - 24	25 - 29	30 - 34	35 - 39	40 - 45	46 - 49	50 - 54	55 - 59	60 - 64	65+	All Ages
< $47,000	100.0%	96.9%	87.9%	61.9%	37.1%	46.7%	26.3%	20.8%	30.4%	57.1%	58.5%
$47,001 - $93,000	93.3%	97.4%	85.6%	63.6%	61.1%	54.7%	50.0%	45.8%	30.7%	36.0%	59.6%
$93,001 - $140,000		100.0%	82.7%	69.3%	66.2%	69.7%	64.1%	52.7%	34.7%	41.7%	63.3%
> $140,000		100.0%	100.0%	86.5%	73.7%	65.9%	65.4%	61.4%	60.2%	70.8%	66.9%
All Wages	97.1%	97.5%	85.4%	67.6%	63.8%	62.3%	57.4%	51.2%	40.2%	50.4%	62.0%

*Retirement Readiness Score shows the percentage of your estimated annual pay you could replace at age 65, considering all UCRS benefits (pension, CAP balances, retirement savings program balances).

Retirement Savings Program
Plan Assets Under Management at Fidelity

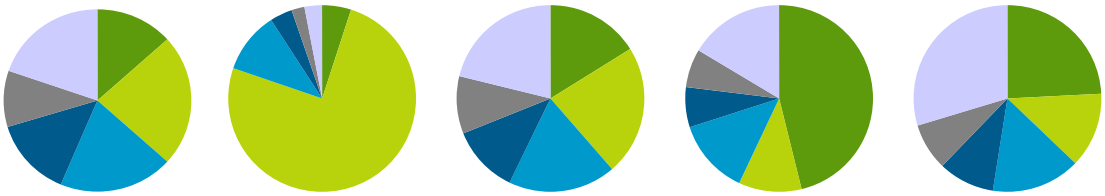


As of 09/30/2013	403b	DCP	457b	Total
Total Participants	124,396	281,616	27,210	433,222
Active Participants	76,815	171,907	20,605	269,327
Inactive Participants	47,581	109,709	6,605	163,895
Total Plan Assets	$12,880,487,727	$3,926,379,384	$1,528,791,296	$18,335,658,407

Total Unique Participants with a balance as of 09/30/2013– 301,282

Retirement Savings Program
Single-Investment Option Holders

Information as of 09/30/2013



How many participants hold:	403b	DCP	457b	Industry peers	Same-size peers
1 Fund (Lifecycle Fund)	13.4%	5.0%	16.1%	46.1%	24.2%
1 Fund (Non-Lifecycle Fund)	23.2%	75.2%	22.4%	11.0%	12.9%
2 Funds	19.8%	10.6%	18.7%	12.8%	15.3%
3 Funds	13.7%	4.0%	11.7%	7.0%	9.7%
4 Funds	10.0%	2.2%	10.0%	6.7%	8.0%
5 or more Funds	19.8%	3.0%	21.1%	16.5%	29.9%
Average # of Funds Held	3.0 funds	1.4 funds	3.1 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	14,425	195,056	2,019	211,500
UC EQUITY FUND	Domestic Equity	5,977	6,787	920	13,684
UC BALANCED GROWTH	Balanced/Hybrid	3,364	2,237	908	6,509
UC ICC FUND	Managed Income or Stable Value	1,036	987	320	2,343
UC BOND FUND	Bond	765	734	261	1,760
Plus 58 other funds	-	3,087	5,470	1,438	9,995
Lifecycle Funds	-	16,715	14,111	4,383	35,209
BrokerageLink	-	213	643	228	1,084
		45,582	226,025	10,477	282,084

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

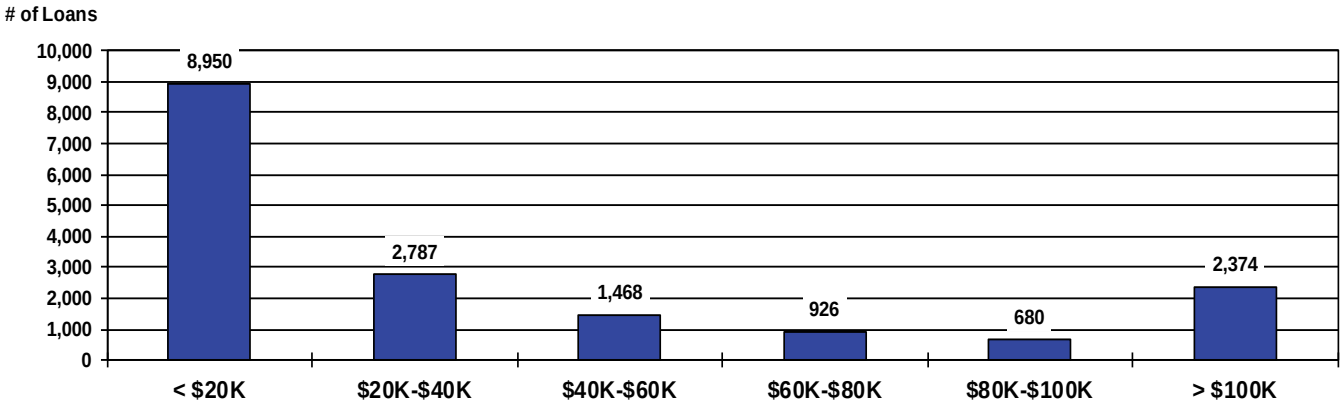
Cash Inflow	Quarter ending: 09/2013	Quarter ending: 06/2013
Contributions		
403b:	$120,707,610	$125,247,406
457b:	$ 43,360,079	$ 44,005,800
DCP:	$ 37,720,041	$ 21,373,423
Rollover/Transfer In:	$111,492,330	$ 46,427,813
Total	$313,280,060	$237,054,442
Loan Repayments	$ 15,102,530	$ 13,800,626
Interest on Loans	$ 1,661,634	$ 1,498,199
Balance Forward	$ 9,577	$ 2,248
Total Cash Inflow	$330,053,801	$252,355,515

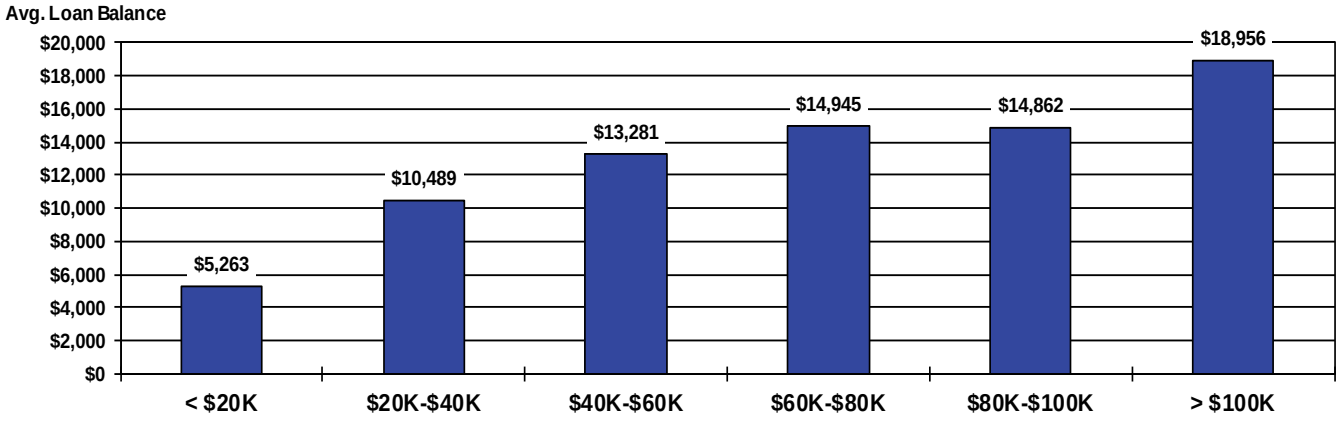
Cash Outflow	Quarter ending: 09/2013	Quarter ending: 06/2013
Loan Withdrawals	($ 21,234,372)	($ 21,132,097)
Withdrawals		
Full Payout:	($239,626,290)	($255,771,974)
Partial Distribution:	($ 39,842,345)	($ 55,111,931)
Age 59.5:	($ 37,002,520)	($ 66,635,328)
MRD:	($ 10,623,326)	($ 11,783,536)
De Minimis Distribution:	($ 5,009,539)	($ 4,153,276)
Partial After Tax/Rollover Payout :	($ 4,243,708)	($ 7,100,734)
Systematic Withdrawal Payments :	($ 3,502,105)	($ 3,480,463)
Hardship-Sponsor Directed:	($ 1,229,875)	($ 1,109,395)
Age 70.5 In-Service Distribution:	($ 405,249)	($ 824,055)
Transfer of Assets:	($ 154,620)	($ 187,628)
Unforeseen Emergency:	($ 59,156)	($ 184,558)
Total	($341,698,733)	($406,342,878)
Transaction-based Fees	($ 195,395)	($ 194,679)
Total Cash Outflow	($363,128,500)	($427,669,654)
Net Cash Flow	($ 33,074,699)	($ 175,314,139)

Retirement Savings Program
Loans by Participant Account Balance

Loans by Participant Account Balance

as of 9/30/2013





Total Participants in balance category:	46,289 Participants	17,648 Participants	10,781 Participants	7,569 Participants	5,630 Participants	36,479 Participants

	Total Loans	Original Amount	Outstanding Loans	Outstanding Balance	Loans Defaulted	Default Amount
3 Month Change	-24	$693,103	-21	$704,692	133	$1,903,180
6 Month Change	255	$4,769,767	252	$4,728,436	173	$2,088,325
9 Month Change	305	$4,872,042	295	$4,332,653	243	$2,121,144

Quarterly changes are not cumulative, and use Q4 '12 as a baseline

Retirement Savings Program Account Access Comparison and Participant Access Volumes

Account Access Comparison

10/1/2012 - 9/30/2013

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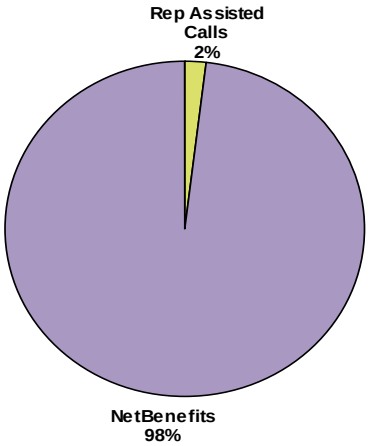
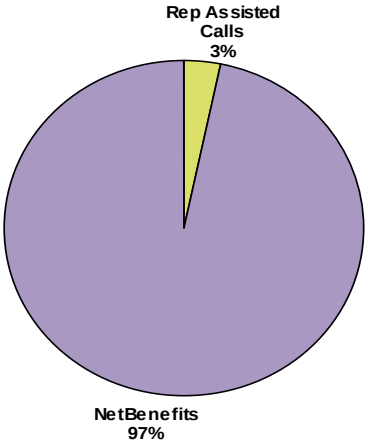
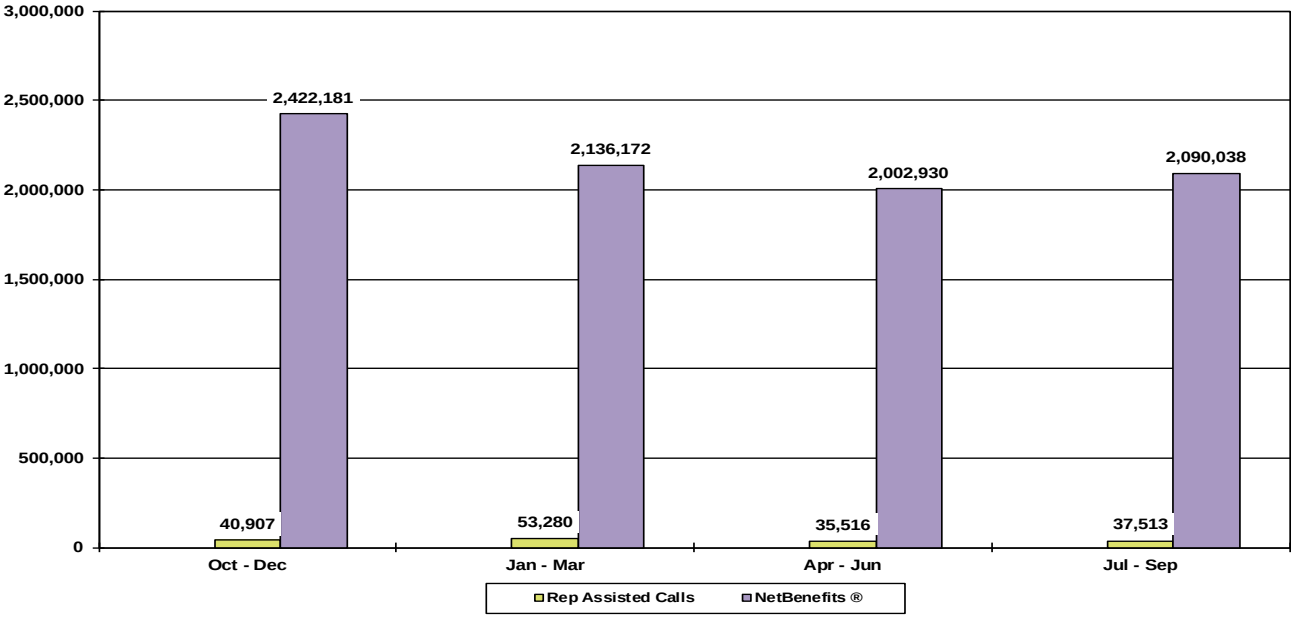


AVG. TEM HIGHER EDUC. PLAN

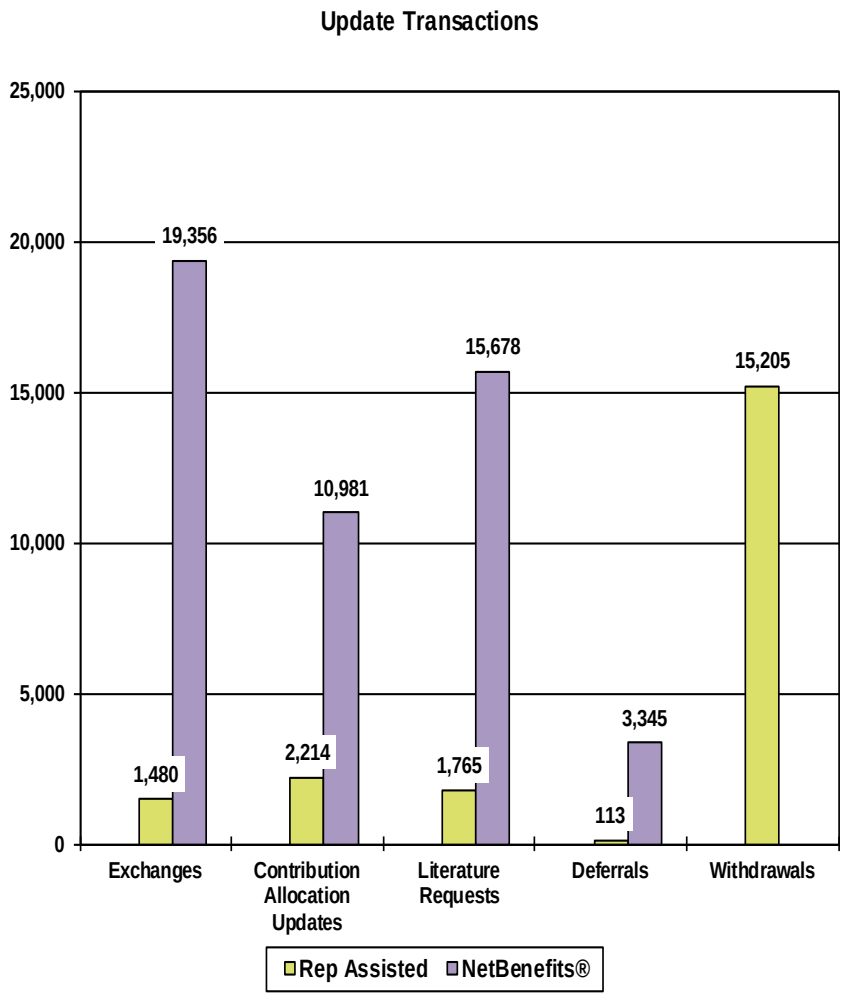
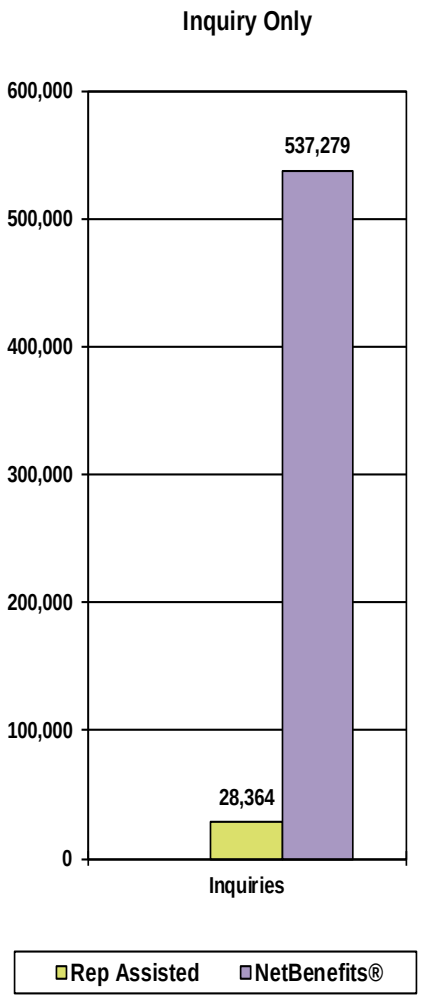


Participant Access Volumes

10/1/2012 - 9/30/2013



Retirement Savings Program
Participant Account Activity by Type

Participant Account Activity by Type

10/1/2012 - 9/30/2013