UNIVERSITY OF CALIFORNIA

Retirement Savings Program

Vendor Relations Management Report

Q4 2014

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

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Retirement Savings Program
Q4 2014 Highlights

Quarterly Performance Rating: Average Speed to Answer and Portal maintenance/link accuracy standards not met

Quarterly Highlights

Overall

- Closed quarter with $20 billion in assets
- 298,452 unique participants with a balance
- For 403(b) Plan: average participation rate of 49.9% and average deferral rate of 10.1%

Master Record Keeping & Member Services

- Conducted year-end reviews on excess contribution records and MRD transactions to assure compliance
- Performed ad-hoc systems search of 9,000 Lost Participants; Approximately 7,000 recent addresses found
- 2.5 million log-ins to Netbenefits.com; 82,721 calls handled

Communications & Education

- 4Q14 new hire enrollment rate of 24%; 4Q typically 14-16%
- In 2014, referred nearly 700 RASC callers to Fidelity for additional guidance.
- Preparing online 2015 Retirement Reviews with updated retirement readiness scores; mailing expected in early March
- Developing 2015 streamlined fund menu communications; Decision Guide and Personal Mapping Statement to mail on 4/22

Retirement Savings Program
Financial Education Performance

Financial Education Program Performance Guarantees

	Trend Indicator	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Workshop ratings	=	met	met	met	met
Timely delivery of enrollment materials	=	met	met	met	met
Fidelity Financial Education report	=	met	met	met	met
UC Documents in NetBenefits	=	met	met	met	met

▲ Improving

= Stable

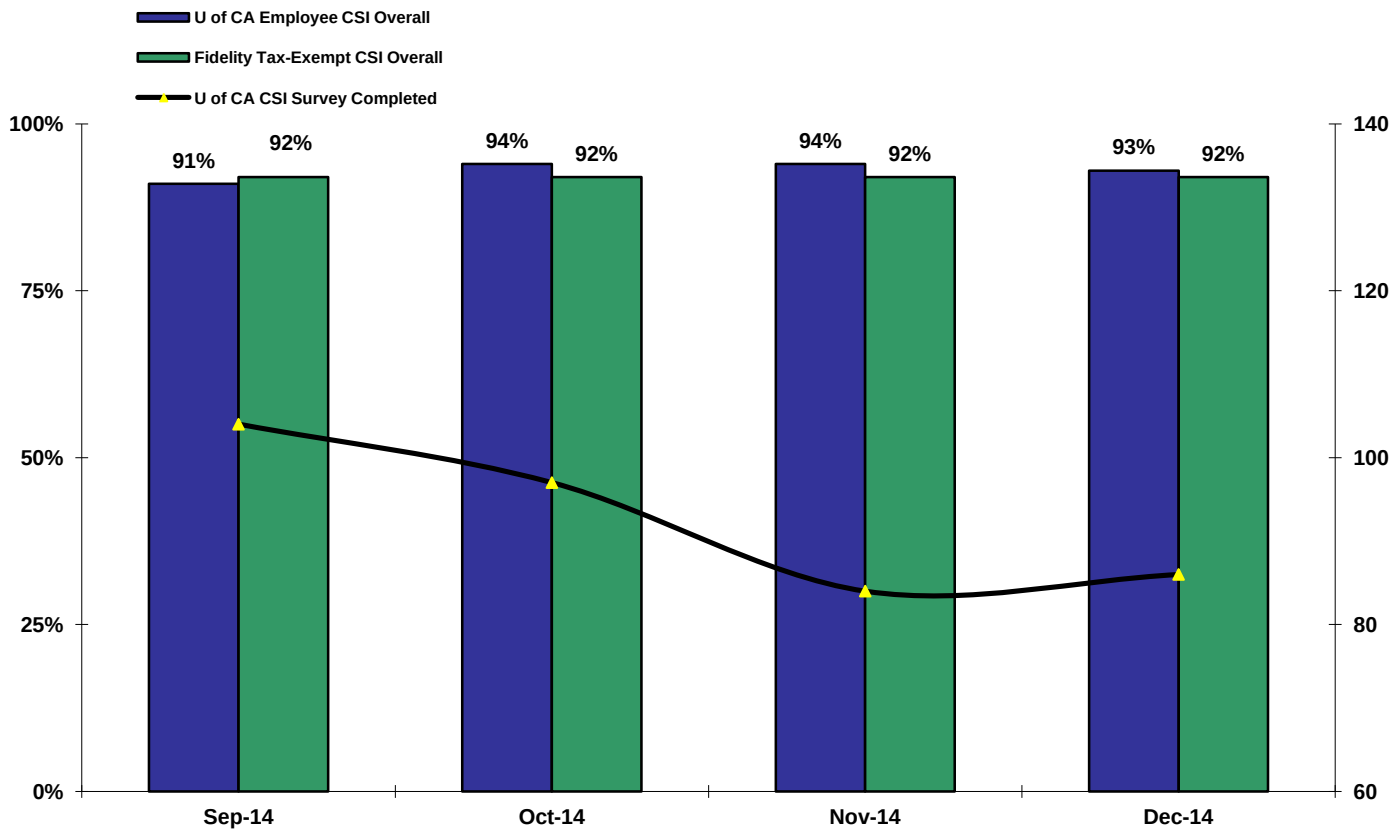
● Needs Improvement

UC Employee Satisfaction
Fidelity Participant Services

Customer Satisfaction Index Scores
University of California Plan Participants
September 2014 – December 2014

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

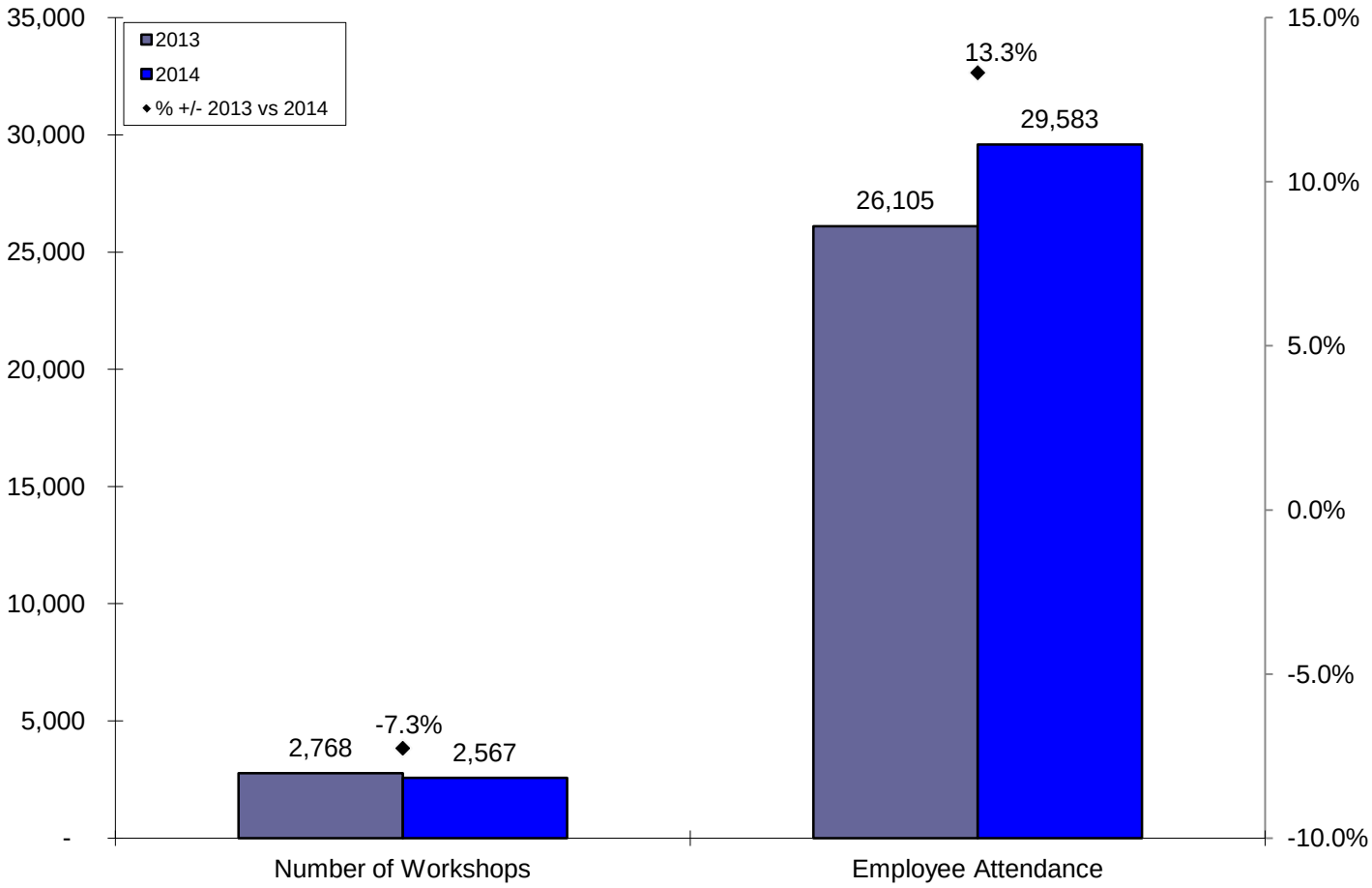
University of California Client Satisfaction Index Scores - *Overall Category*



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 December 2014



	Overall Workshop Rating "Excellent" or "Very Good"	Overall Presenter Rating "Excellent" or "Very Good"	# of Surveys
October 2014	**98%**	**99%**	**145**
November 2014	**100%**	**100%**	**88**
December 2014	**99%**	**99%**	**86**
		total	**319**

Retirement Savings Program
Fidelity's Administrative Performance

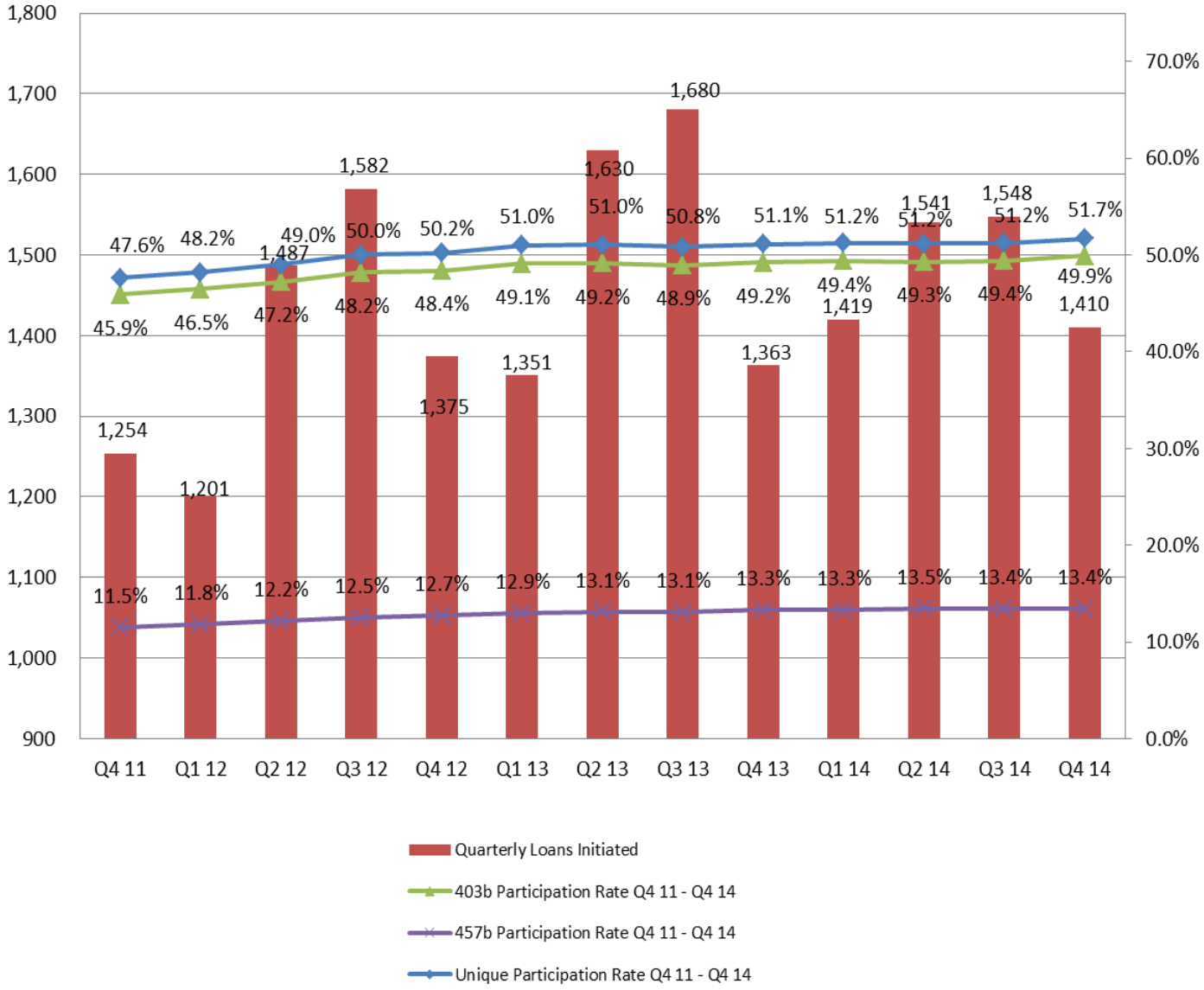
	Performance Standard	Q4 Result	Q4 '14	Q3 '14	Q2 '14
Average Speed to Answer	30	not met	40	22	20
Call Abandonment Rate	3%	met	1%	1%	1%
VRS Availability	99%	met	99.93%	100.00%	100.00%
NetBenefits Availability	99%	met	99.35%	99.79%	99.80%
PSW Availability	99%	met	99.90%	99.86%	99.70%
One-and-Done Rate	90%	met	97.34%	97.45%	97.57%
Case Management	95% in 5 bus. days	met	98.80%	96.80%	97.87%
	99% in 10 bus. days	met	99.72%	99.79%	99.92%
Contribution Reconciliation	same day	met	100.00%	100.00%	100.00%
Transaction Processing	99%	met	99.98%	99.98%	99.99%
Quarterly Online Statements	99% Availability	met	yes	yes	yes
Quarterly / Annual Paper 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 Financial Education 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	95%	met	98.12%	98.68%	100.00%
Overall Plan Sponsor Satisfaction	Annual based on sliding UC schedule	pending	Assessment expected February 2015		
Quarterly / Annual Plan Reporting	100% w/in 10 days	met	yes	yes	yes
Quarterly VRM Report	Q1 - Q3 w/in 45 Bus Days of quarter end Q4 w/in 60 Bus Days of quarter end	met	yes	yes	yes
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%	not met	no	no	yes

Retirement Savings Program
Key Statistics

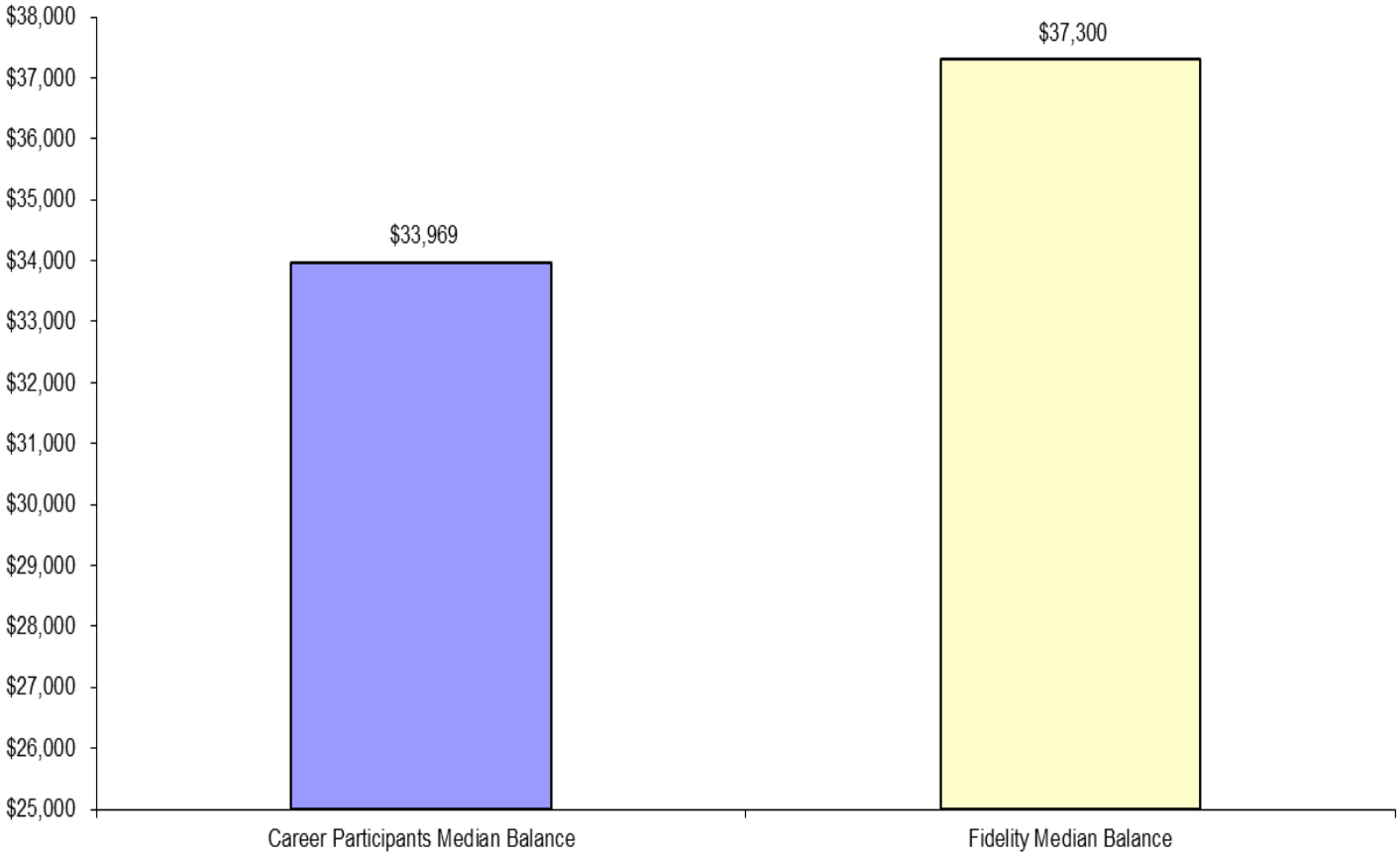
		UC RSP 12/31/2014	% Change vs 9/30/2014	% Change vs 12/31/2013
Total Assets UC Funds		$15.3B	1%	2%
Total Assets Fidelity Funds		$3.9B	5%	16%
Total Assets Other		$777M	5%	14%
Total Plan Assets		$20.0B	1%	5%
Net Cash Flow		(96M)	*--	*--
Career Participants				
**Plan Participation Rate	403b	49.9%	1%	1%
	457b	13.4%	0.1%	1%
**Average Deferral Rate	403b	10.1% / $851	(3%) / 0.2%	(2%) / 4%
	457b	10.3% / $1,307	0% / (0.2%)	2% / 4%
**Median Partcipant Balance	403b	$31,529	(3%)	-4%
	457b	$24,318	(0.5%)	2%
**Average Partcipant Balance	403b	$97,479	1%	2%
	457b	$66,313	2%	8%

***Net Cash Flow for Quarter Ending 12/31/14 was (96M) 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

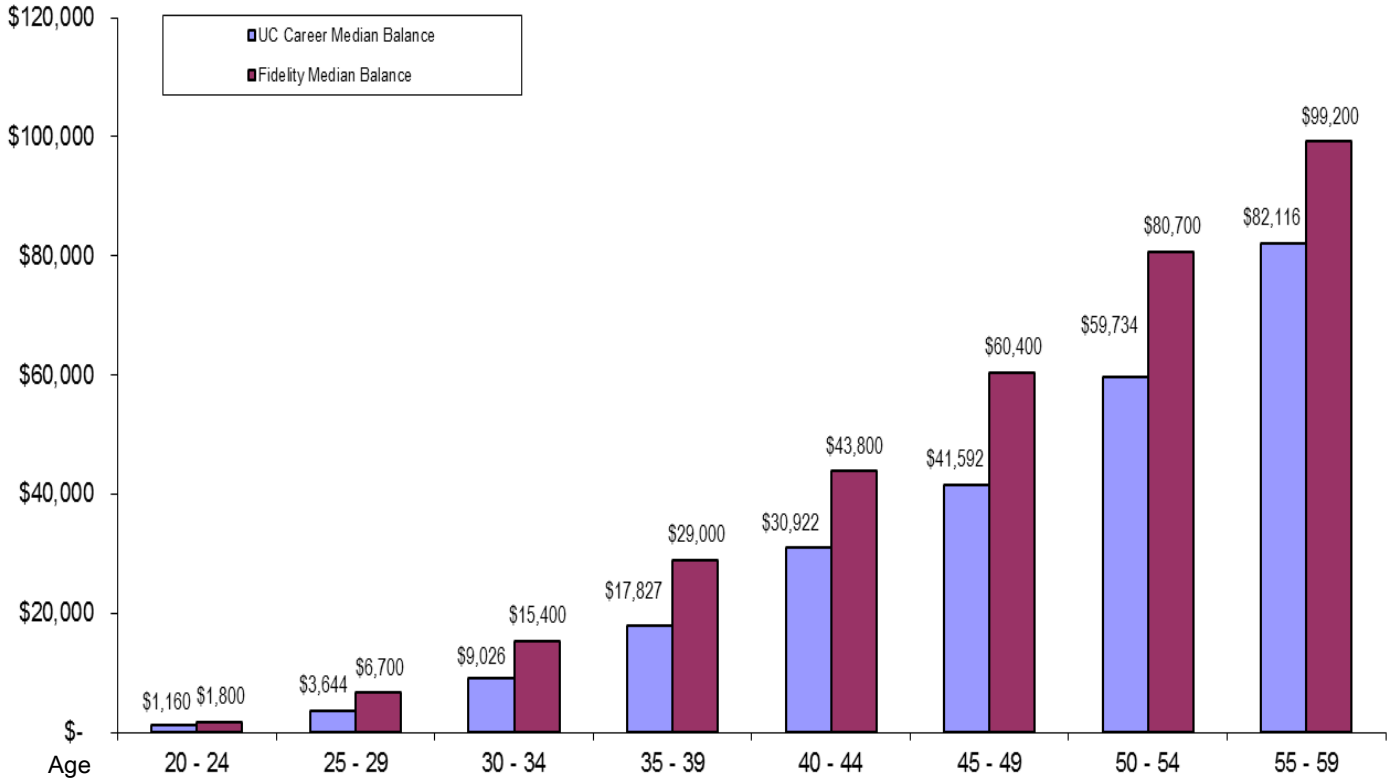


Retirement Savings Program
UC Median Balance vs.
Fidelity Median Balance



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
Retirement Readiness Scores

Systemwide Retirement Readiness Scores											
Age	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65+	System
RR Score of 80%	97.9%	96.0%	87.1%	68.8%	60.6%	54.5%	50.2%	48.2%	38.2%	48.6%	60.4%

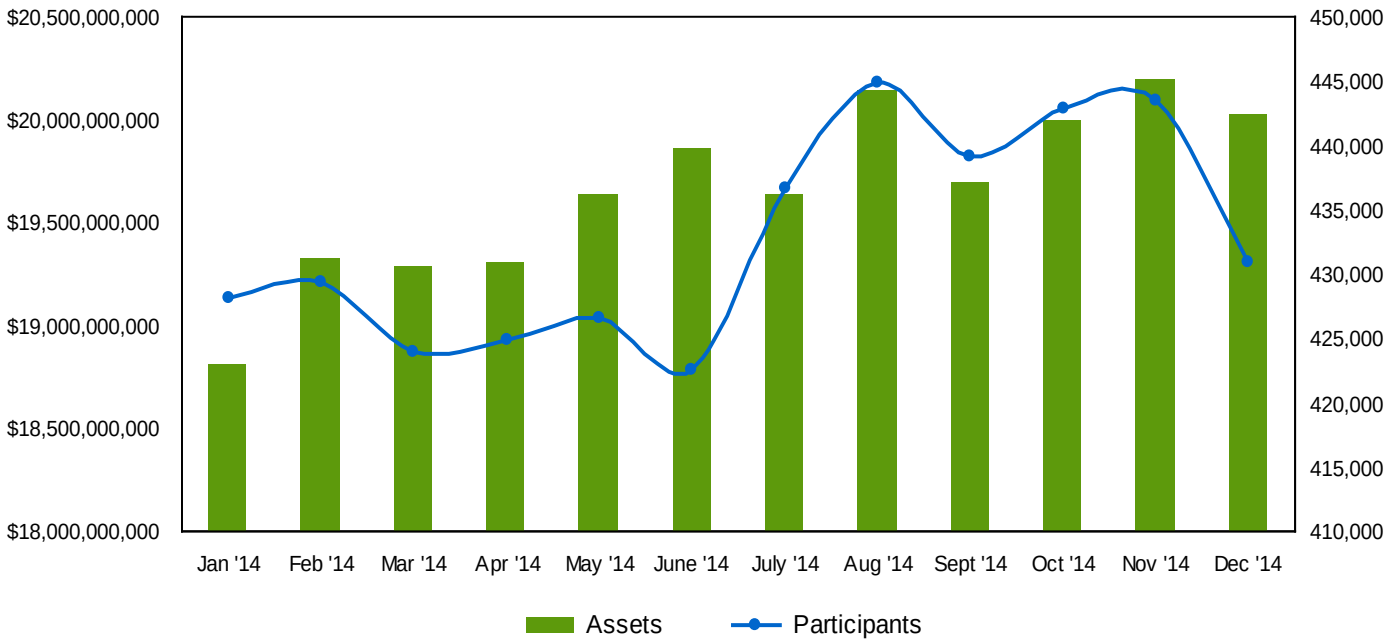
Systemwide Retirement Readiness Scores											
Campus	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65+	All Ages
< $47,000	98.3%	97.0%	86.3%	63.6%	47.6%	34.5%	29.9%	26.4%	19.5%	23.2%	55.9%
$47,001 - $93,000	90.0%	91.9%	86.6%	66.7%	60.0%	56.0%	53.6%	51.4%	39.0%	38.2%	59.8%
$93,001 - $140,000		92.9%	86.7%	72.2%	71.6%	67.6%	63.4%	58.1%	50.0%	61.9%	64.5%
> $140,000		50.0%	88.9%	74.4%	71.3%	68.9%	68.1%	63.5%	59.5%	72.5%	67.2%
All Wages	97.5%	95.5%	86.5%	66.9%	60.1%	54.6%	51.8%	49.5%	41.7%	53.8%	60.3%

Medical Center	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65+	All Ages
< $47,000	99.1%	96.7%	82.9%	58.8%	43.6%	36.1%	27.2%	24.7%	13.4%	16.9%	52.7%
$47,001 - $93,000	98.6%	96.3%	87.9%	71.2%	58.0%	51.8%	43.3%	40.5%	26.0%	20.8%	59.9%
$93,001 - $140,000	92.9%	97.1%	91.9%	80.8%	72.9%	62.5%	57.2%	54.3%	36.3%	35.4%	65.9%
> $140,000		94.4%	94.5%	79.8%	75.2%	71.5%	66.8%	63.8%	52.6%	59.5%	67.5%
All Wages	98.6%	96.6%	87.5%	71.7%	61.0%	53.6%	46.7%	45.3%	31.6%	32.6%	60.6%

Other	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	65+	All Ages
< $47,000	100.0%	100.0%	91.7%	68.0%	52.0%	46.2%	46.2%	22.2%	14.3%	22.2%	59.8%
$47,001 - $93,000	100.0%	98.6%	92.0%	65.0%	56.9%	57.3%	50.9%	51.9%	29.1%	33.8%	59.1%
$93,001 - $140,000		100.0%	88.1%	63.4%	68.3%	64.3%	64.1%	53.8%	35.2%	46.2%	60.9%
> $140,000			50.0%	77.8%	80.0%	67.8%	69.6%	63.2%	51.3%	67.2%	66.0%
All Wages	100.0%	99.0%	90.7%	65.3%	65.2%	61.8%	59.8%	54.9%	37.2%	47.0%	61.1%

*Retirement Readiness Score shows the percentage of your estimated annual pay you could replace at age 65

Retirement Savings Program
Plan Assets Under Management at Fidelity

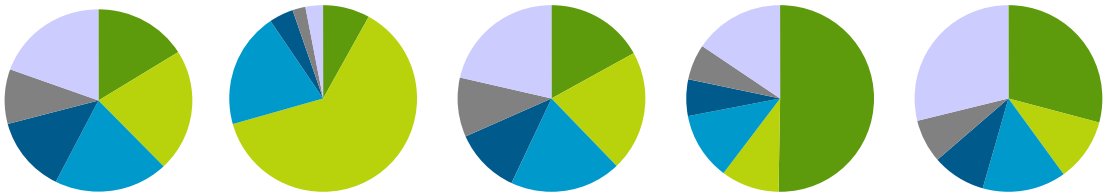


As of 12/31/2014	403b	DCP	457b	Total
Total Participants	127,543	274,197	29,130	430,870
Active Participants	80,239	170,473	22,108	272,820
Inactive Participants	47,304	103,724	7,022	158,050
Total Plan Assets	$14,067,414,931	$4,108,910,034	$1,846,134,405	20,022,459,370

Total Unique Participants with a balance as of 12/31/2014 - 298,452

Retirement Savings Program
Single-Investment Option Holders

Information as of 12/31/2014



How many participants hold:	403b	DCP	457b	Industry peers	Same-size peers
1 Fund (Lifecycle Fund)	16.2%	7.9%	16.9%	50.4%	29.2%
1 Fund (Non-Lifecycle Fund)	21.7%	62.6%	20.9%	9.8%	10.7%
2 Funds	19.6%	20.0%	19.1%	11.7%	14.7%
3 Funds	13.4%	4.1%	11.5%	6.4%	9.0%
4 Funds	9.7%	2.2%	10.1%	6.0%	7.4%
5 or more Funds	19.5%	3.2%	21.5%	15.7%	29.0%
Average # of Funds Held	3.0 funds	1.5 funds	3.2 funds	1.8 funds	3.2 funds

Funds held as a single investment	Asset class	Participants holding this fund			
		403b	DCP	457b	Total
UC SAVINGS FUND	Money Market or Short-Term	14,194	154,927	2,089	171,210
UC GLOBAL EQUITY FD	Domestic Equity	5,670	6,453	911	13,034
UC BALANCED GROWTH	Balanced/Hybrid	3,310	2,325	954	6,589
UC BOND FUND	Bond	681	687	240	1,608
SPTN 500 IDX ADV IS	Domestic Equity	388	842	117	1,347
Plus 57 other funds	-	2,912	5,755	1,515	10,182
Lifecycle Funds	-	20,625	21,780	4,919	47,324
BrokerageLink	-	525	726	253	1,504
		48,305	193,495	10,998	252,798

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

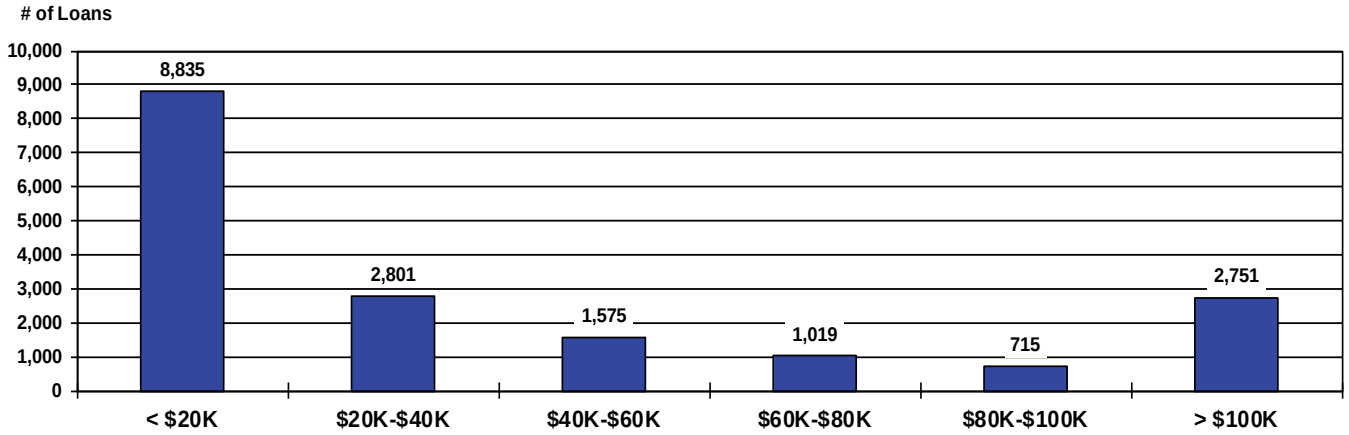
Cash Inflow	Quarter ending: 12/2014	Quarter ending: 9/2014
Contributions		
403b:	$ 129,842,650	$ 133,810,155
457b:	$ 42,437,326	$ 45,334,612
DCP:	$ 22,474,856	$ 39,811,765
Rollover/Transfer In:	$ 88,417,904	$ 107,395,991
Total	$ 283,172,737	$ 326,352,523
Loan Repayments	$ 16,632,617	$ 16,028,197
Interest on Loans	$ 1,928,482	$ 1,748,376
Balance Forward	$ 4,315	$ 8,673
Total Cash Inflow	$ 301,738,150	$ 344,137,769

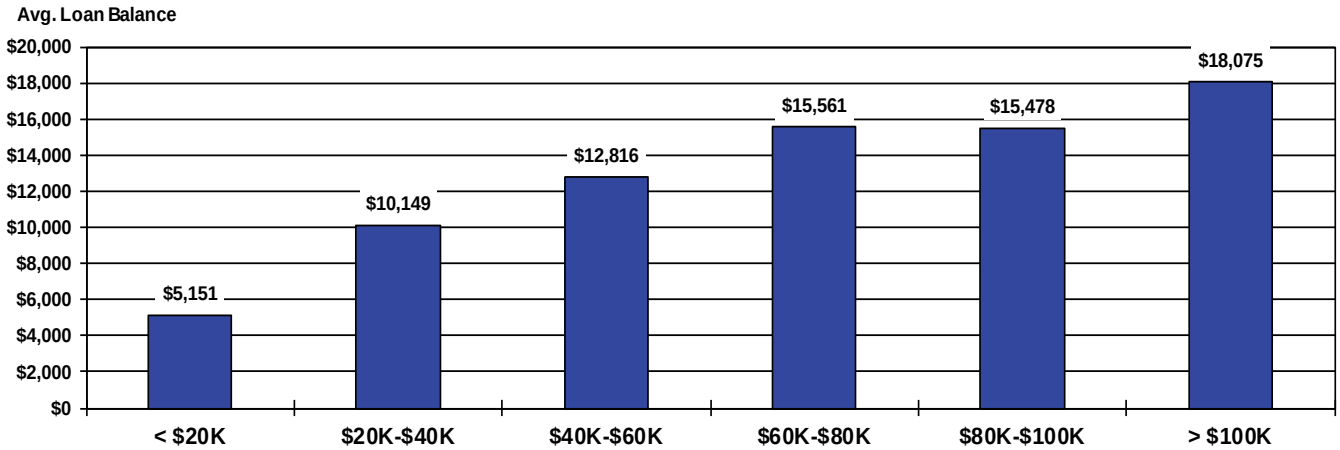
Cash Outflow	Quarter ending: 12/2014	Quarter ending: 9/2014
Loan Withdrawals	$ (16,413,617)	$ (18,866,575)
Withdrawals		
Full Payout:	$ (223,690,348)	$ (232,779,223)
MRD:	$ (83,178,838)	$ (12,618,221)
Age 59.5:	$ (34,278,738)	$ (37,356,523)
Partial Distribution:	$ (26,934,791)	$ (35,942,180)
Partial After Tax/Rollover Payout:	$ (4,839,741)	$ (4,520,154)
Systematic Withdrawal Payments:	$ (4,064,300)	$ (3,745,445)
De Minimis Distribution:	$ (3,046,162)	$ (6,867,002)
Hardship-Sponsor Directed:	$ (904,408)	$ (1,496,354)
Age 70.5 In-Service Distribution:	$ (453,562)	$ (2,565,607)
Transfer of Assets:	$ (97,208)	$ (224,141)
Unforeseen Emergency:	$ (31,541)	$ (277,601)
Total	$ (381,519,637)	$ (338,392,451)
Transaction-based Fees	$ (202,325)	$ (195,622)
Total Cash Outflow	$ (398,135,579)	$ (357,454,648)
Net Cash Flow	$ (96,397,429)	$ (13,316,879)

Retirement Savings Program
Loans by Participant Account Balance

Loans by Participant Account Balance

as of 12/31/2014





Total Participants in balance category:	47,533 Participants	17,365 Participants	10,860 Participants	7,644 Participants	5,728 Participants	38,412 Participants

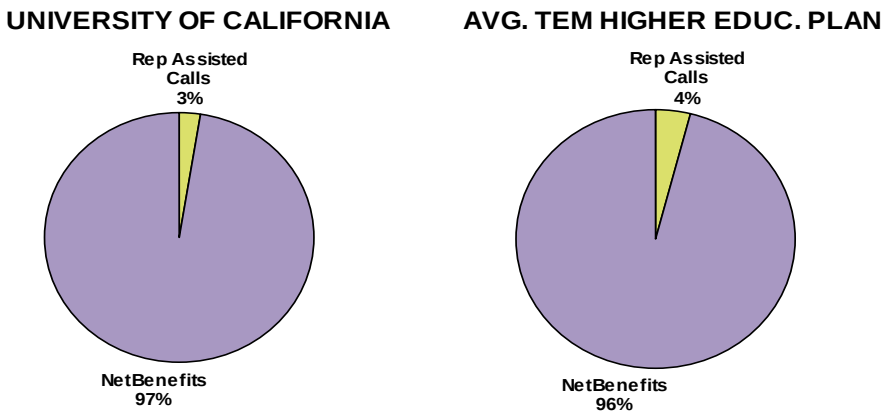
	Total Loans	Original Amount	Outstanding Loans	Outstanding Balance	Loans Defaulted	Default Amount
3 Month Change	56	$2,377,687	56	$2,425,978	119	$1,857,089
6 Month Change	178	$4,822,312	173	$4,733,088	190	$2,350,803
9 Month Change	185	$3,224,212	182	$3,192,897	226	$1,913,927
12 Month Change	47	$771,253	44	$746,675	96	$615,652

Quarterly changes are not cumulative, and use Q4 ‘13 as a baseline

Retirement Savings Program Account Access Comparison and Participant Access Volumes

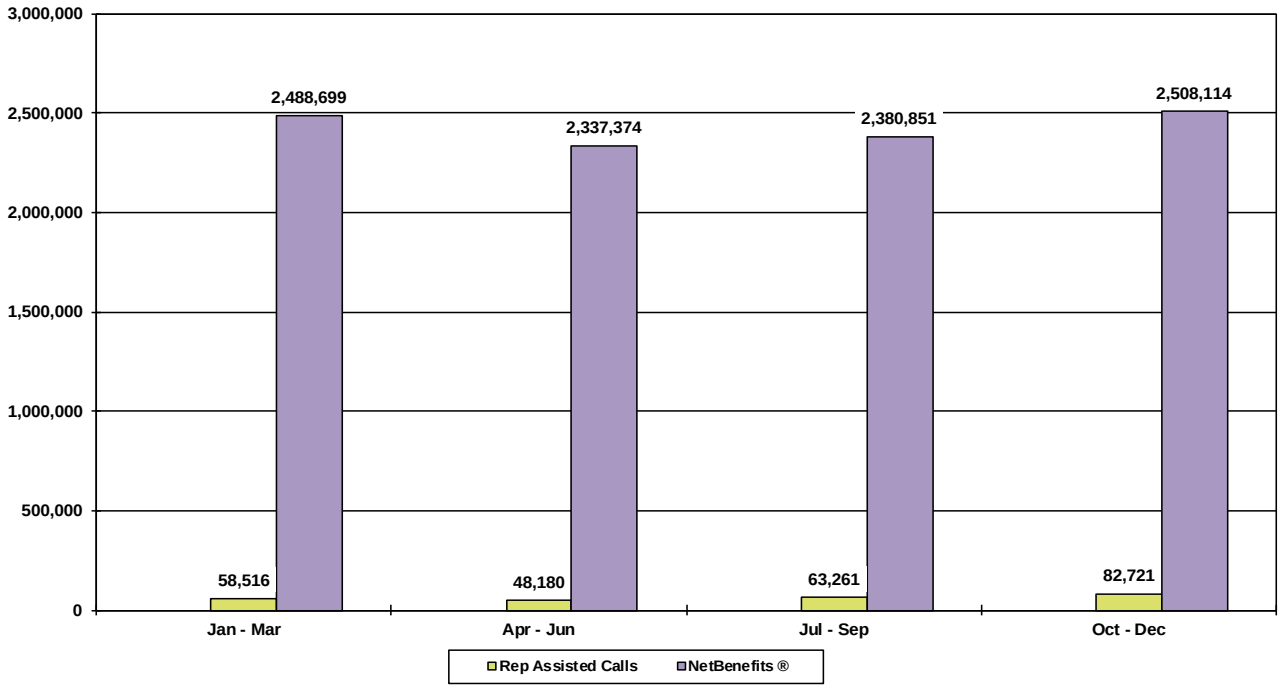
Account Access Comparison

1/1/2014 - 12/31/2014

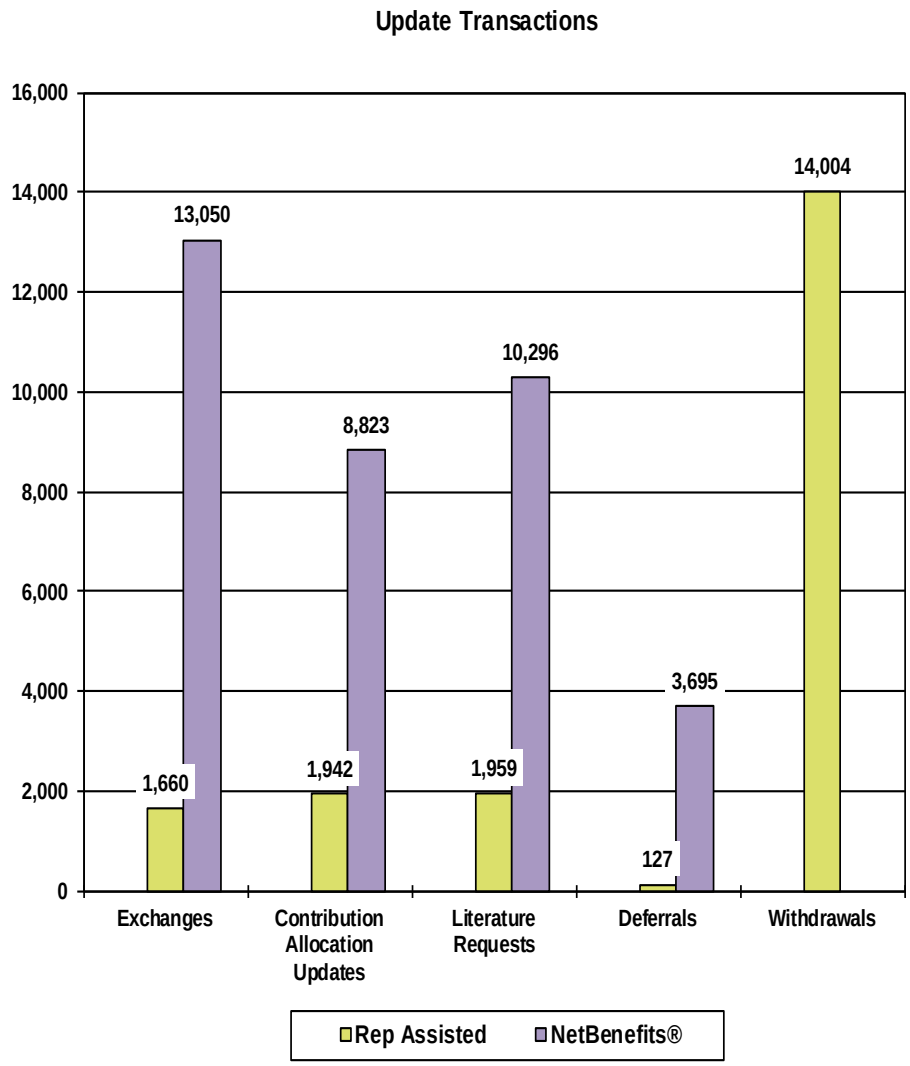
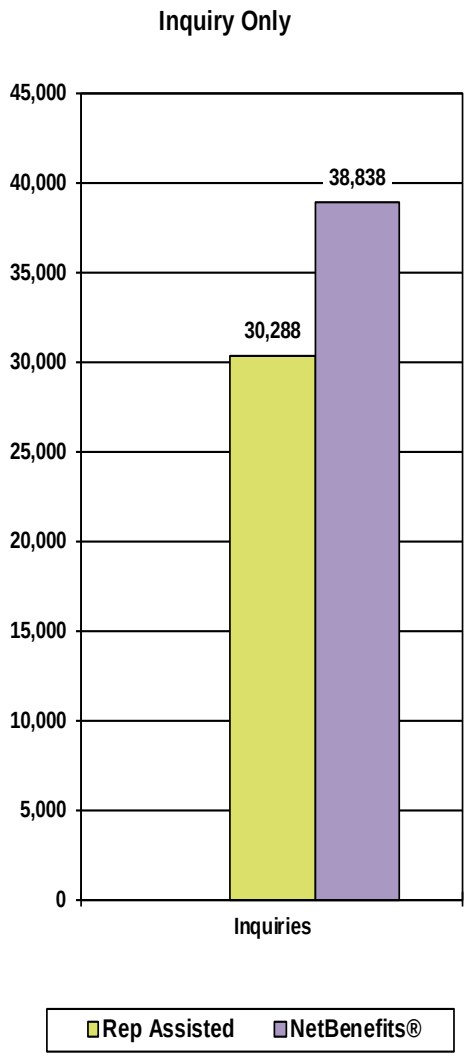


Participant Access Volumes

1/1/2014 - 12/31/2014



Retirement Savings Program
Participant Account Activity by Type

Participant Account Activity by Type

1/1/2014 - 12/31/2014