UNIVERSITY OF CALIFORNIA Retirement Savings Program

The University of California **Retirement Savings Program Operations and Education**

Vendor Relations Management

2Q2015 Report

UNIVERSITY OF CALIFORNIA Human Resources

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2Q2015 Highlights

Overall

- $20.12 billion in assets
- 294,310 unique participants with balance
- 403(b) Plan: participation rate 52.3%; average deferral rate 9.8%

Master Recordkeeping & Member Services

- Completed "Lost Participant" email campaign. Roughly 9,300 received email-notifications and 31% took action to update address. Initiated Phase 3, Lost Participant search campaign (compare to UCRS address)
- Managed and coordinated the final fund transfers of close to $3.5 billion to complete the fund menu streamlining project.
- Continued to coordinate file-testing, training, and cutover schedule for UCPath and UCOP participants.

Communications & Education

- Implemented comprehensive communications plan for fund menu change communications
  - Multi-touch, personalized pieces to affected participants
  - On-site workshops, webinars, one-on-one guidance sessions, UCnet news articles
- Special evening Retirement Income Planning events held at ten locations

Plan Participation

As of 6/30/2015	403b	DCP	457b	Total
Total Participants	128,389	268,092	29,693	**426,174**
Active Participants	81,093	164,290	22,854	**268,237**
Participants Terminated with Balances	47,296	103,802	6,839	**157,937**
Total Plan Assets	**$14,112,056,098**	**$4,070,103,341**	**$1,939,578,084**	**$20,121,737,523**

Unique participants with balance: 294,310

403(b) has nearly 70% of total plan assets.

294,310 unique participants with a balance. Largest participation count in DCP due to mandatory contributions and Safe Harbor participation.

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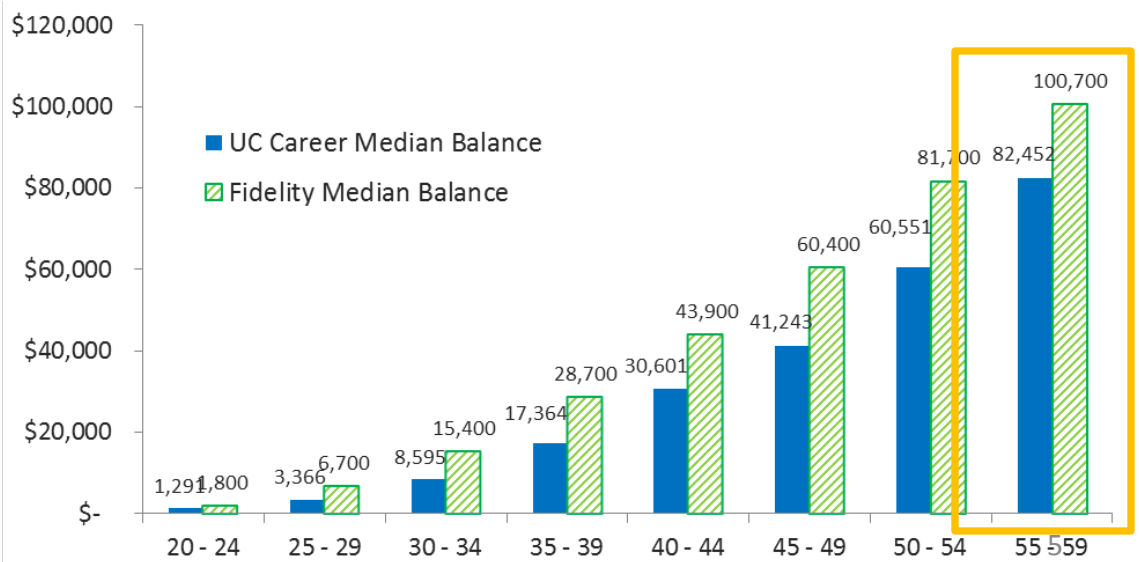
Participant Statistics

Participation and deferral rates have remained relatively unchanged.

Median account balances of UC career employees are lower than Fidelity's book of business. Most concerning is balance of pre-retirees.

		UC RSP 6/30/2015	% Change vs 12/31/2014	% Change vs 6/30/2014
CAREER PARTICIPANTS*				
Plan Participation Rate	403b	52.3%	4%	6%
	457b	13.6%	1.5%	1%
Average Deferral Rate	403b	9.8% / $876	(2%) / 3%	(6%) / 7%
	457b	10.3% / $1,360	3% /5%	2% / 7%
Median Partcipant Balance	403b	$30,491	-4%	-9%
	457b	$25,016	-3%	-1%
Average Partcipant Balance	403b	$97,343	-2%	-1%
	457b	$68,266	-1%	4%

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



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Retirement Readiness

RETIREMENT READINESS SCORES - % of career employees with 80% RR score or higher

SYSTEM	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65+	ALL
RR Score of 80%	**96%**	**95%**	**87%**	**67%**	**59%**	**53%**	**49%**	**47%**	**38%**	**48%**	**59%**
CAMPUS											
< $50,000	96%	95%	84%	61%	45%	36%	30%	30%	23%	27%	57%
$50,001 - $80,000	96%	93%	87%	62%	56%	51%	51%	48%	37%	35%	58%
$80,001 - $120,000	0%	92%	86%	65%	64%	59%	58%	54%	44%	52%	60%
$120,001 - $250,000		78%	85%	70%	69%	67%	65%	63%	57%	70%	65%
> $250,000		0%	0%	40%	78%	57%	51%	46%	49%	69%	58%
All Wages	**96%**	**95%**	**85%**	**63%**	**57%**	**52%**	**50%**	**48%**	**42%**	**53%**	**59%**
MEDICAL CENTER											
< $50,000	97%	95%	86%	63%	44%	37%	25%	23%	13%	17%	53%
$50,001 - $80,000	96%	94%	87%	71%	57%	50%	41%	38%	22%	19%	56%
$80,001 - $120,000	100%	96%	90%	76%	66%	59%	52%	50%	35%	30%	65%
$120,001 - $250,000		97%	94%	82%	76%	69%	67%	59%	46%	47%	67%
> $250,000			100%	100%	100%	50%	47%	54%	45%	75%	60%
All Wages	**97%**	**95%**	**88%**	**73%**	**61%**	**55%**	**47%**	**44%**	**31%**	**32%**	**60%**
OTHER LOCATIONS											
< $50,000	94%	89%	88%	65%	45%	41%	50%	27%	33%	22%	62%
$50,001 - $80,000	83%	89%	86%	55%	50%	51%	47%	37%	23%	36%	54%
$80,001 - $120,000		100%	93%	59%	61%	57%	55%	49%	40%	39%	57%
$120,001 - $250,000		75%	86%	71%	69%	65%	65%	57%	46%	58%	62%
> $250,000			0%	0%	75%	33%	30%	42%	47%	50%	42%
All Wages	**91%**	**90%**	**89%**	**61%**	**61%**	**58%**	**57%**	**49%**	**39%**	**45%**	**58%**

Only approx. 48% of employees, aged 50-59 are on track to have 80% income replacement from the UCRP and RSP sources.

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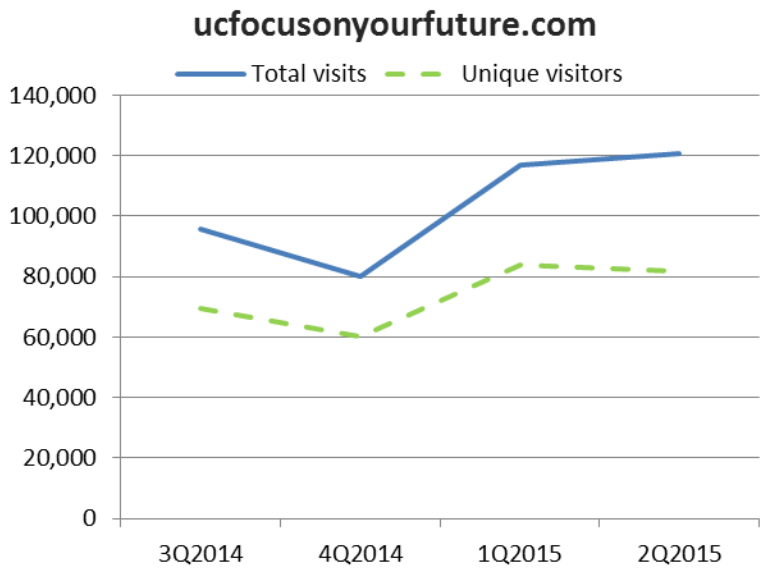
Onsite Education

Onsite events continue to be extremely popular with nearly 30,000 employees attending this year (to date).

	EVENTS		ATTENDANCE	
EDUCATION	**2Q2015**	**YTD**	**2Q2015**	**YTD**
Onsite events	1,041	2,120	11,041	20,063
One-on-One Guidance sessions				
in person	2,181	3,882	2,181	3,882
telephonic	1,872	3,252	1,872	3,252
Webinars	24	36	746	934
TOTAL	**5,118**	**9,290**	**15,840**	**28,131**



Portal utilization continues to increase. Refresh and expansion of the site content will drive even more visits and new users.

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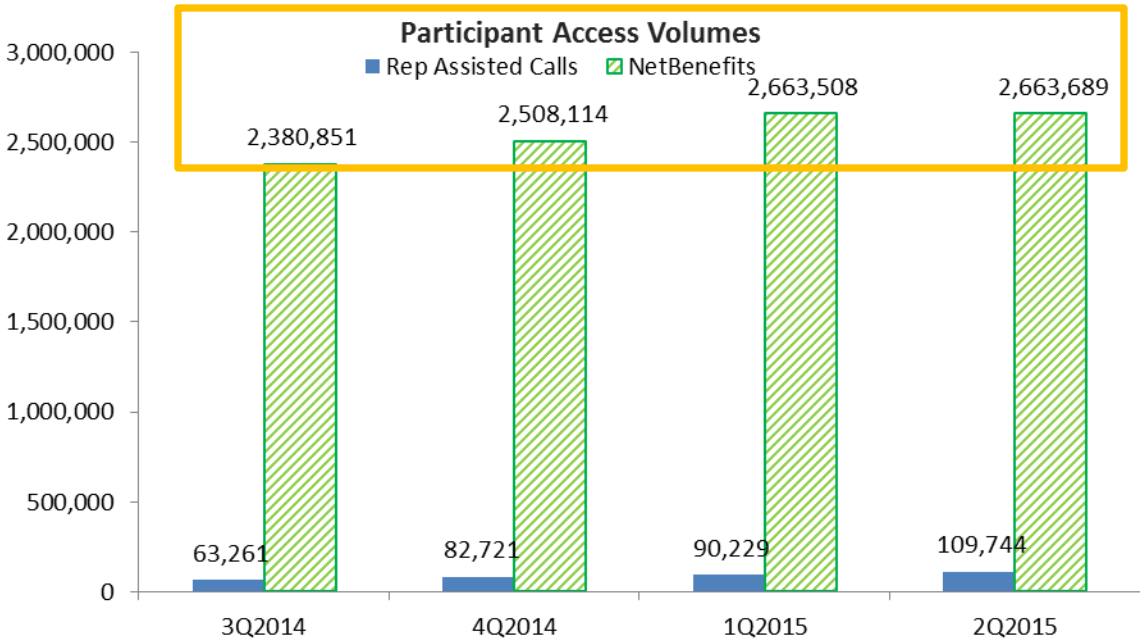
Participant Access

Fidelity customer service supported over 109,000 calls in Q2. Much of the increase can be attributed to the fund menu change.

Netbenefits continues to have extremely high volume.

Despite high volume of calls and website usage, VRM has not received any member complaints regarding service/access.



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Performance Standards

All administrative performance standards were met in 2Q2015.

Metric	Standard	Q2 Result	Q2 '15	Q1 '15	Q4 '14
Average Speed to Answer	30	met	26	91	40
Call Abandonment Rate	3%	met	1%	5%	1%
VRS Availability	99%	met	99.99%	99.77%	99.93%
NetBenefits Availability	99%	met	99.69%	99.67%	99.35%
PSW Availability	99%	met	99.85%	99.69%	99.90%
One-and-Done Rate	90%	met	97.93%	96.59%	97.34%
Case Management	95% in 5 bus. days	met	97.35%	98.42%	98.80%
Case Management	99% in 10 bus. days	met	99.24%	99.50%	99.72%
Contribution Reconciliation	same day	met	100.00%	100.00%	100.00%
Transaction Processing	99%	met	99.98%	99.97%	99.98%
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	96.79%	96.81%	98.12%
Overall Plan Sponsor Satisfaction	annual	met			Passed
Quarterly / Annual Plan Reporting	100% w/in 10 days	met	yes	yes	yes
Quarterly VRM Report	45-60 bus. Days	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%	met	yes	yes	no

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The University of California
Retirement Savings Program
Fund Menu Simplification, July 2015

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Communications Summary

April 2015

Comprehensive Training of Participant Services Associates

Announcement / Decision Guide & Personalized Mapping Statement

Portal Content Updates

UCNet Article

May 2015

New Dimensions Newsletter Article

Reminder E-mail / Postcard

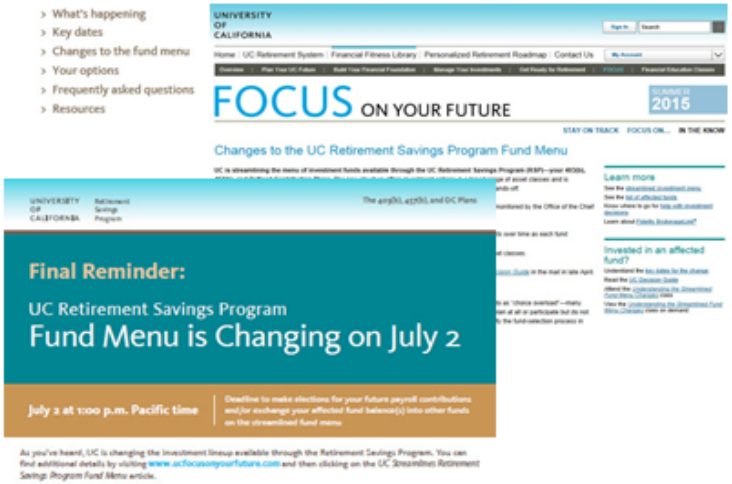
Refresher Training for Participant Services Associates

June 2015

Reminder E-mail / Postcard

August 2015

End of Transition e-mail / postcard



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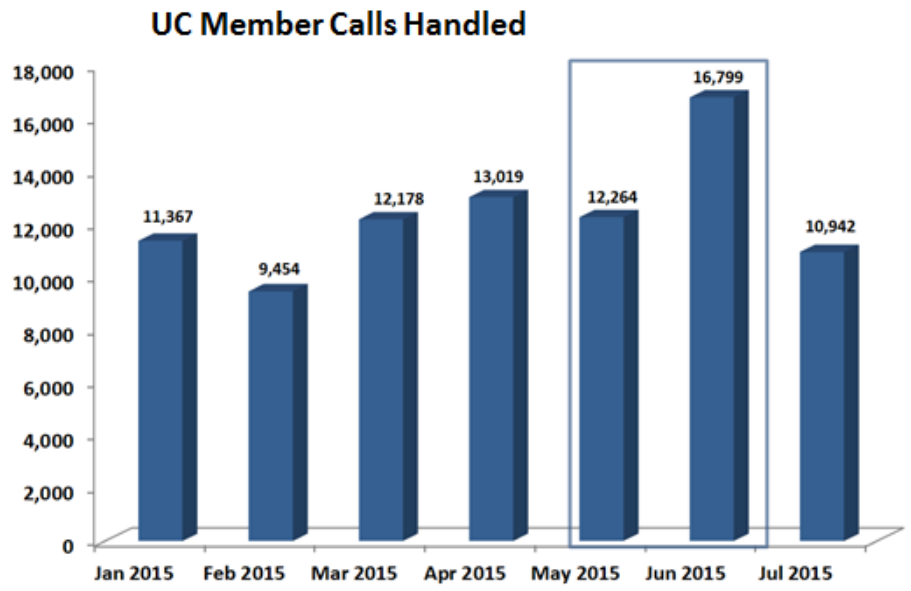
Participant Services

Concentration of Phone Activity In June

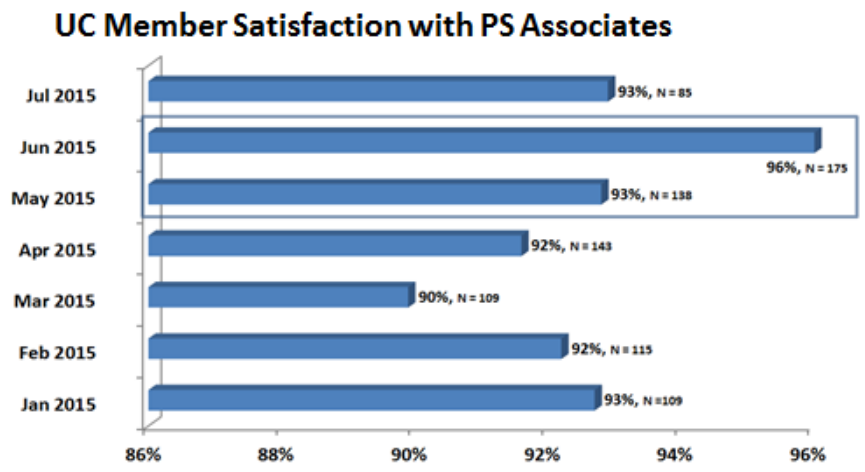
29,000 UC member calls during fund action

4,530 phone hours



High Levels of UC Member Satisfaction

94% of UC members who contacted a PS associate during the fund action rated their experience top 2 box



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Guidance & Education

iPGC Guidance Summary (May – June 2015)

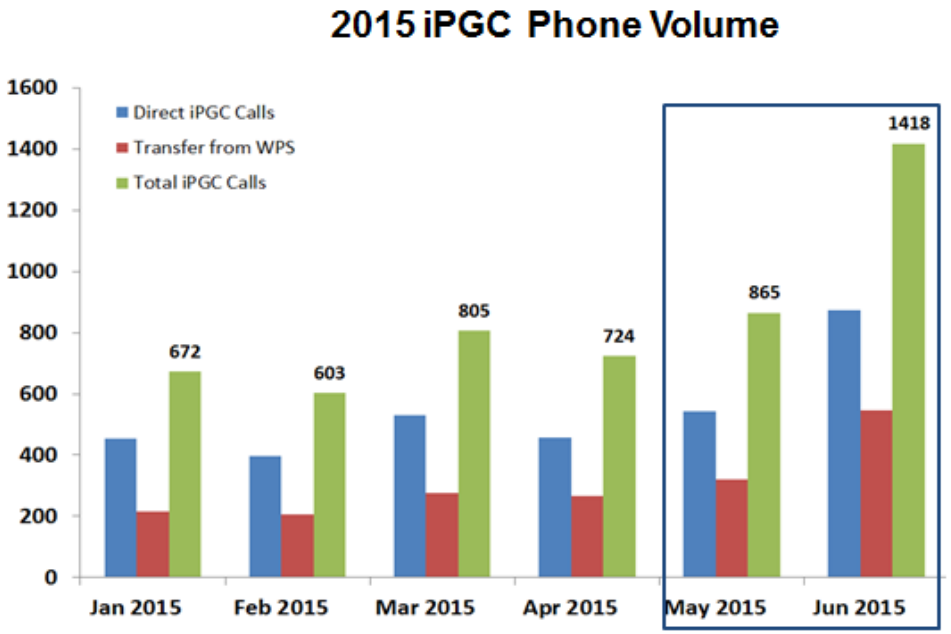
2,283 total iPGC calls – appx 40% or **900 calls were investment related** consultations

100% of UC members (n = 17) rated their iPGC experience top two box during the fund action

PGC Guidance Summary (May – June 2015)

1,493 total one-on-one PGC guidance interactions

90% of UC members (n = 83) rated their PGC experience top two box during the fund action



Onsite UC RC Workshops (May – June 2015)

Total events:	668
Total Attendees:	6,658
Fund Menu Workshops:	98
Fund Menu Workshop Attendees:	943

Web Workshops (May – June 2015)

Total events:	21
Total Attendees:	730
Fund Menu Workshops:	15
Fund Menu Workshop Attendees:	520

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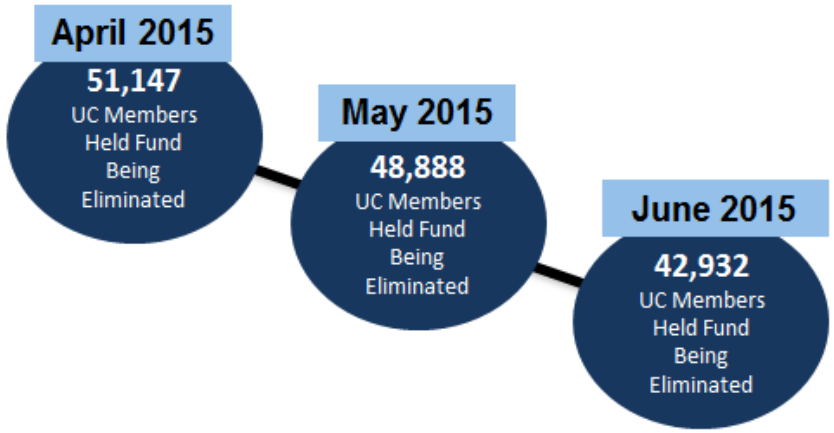
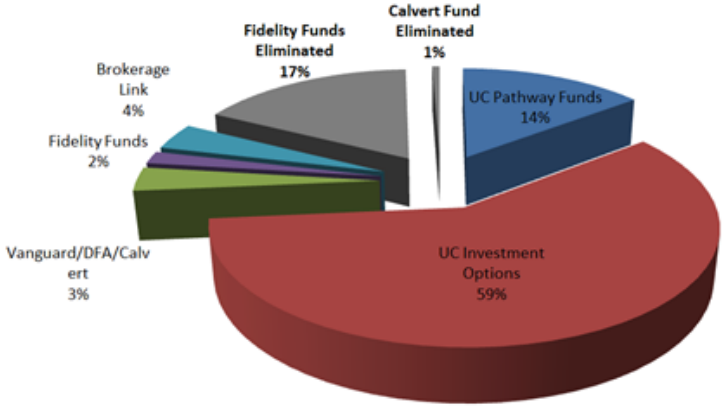
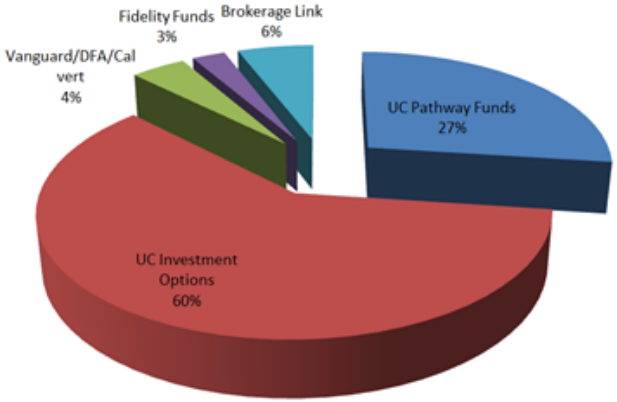
Fund Action Member Activity



- 16% (8,215) UC members who held investment options being eliminated redirected balances prior to July 2nd
- 84% (42,932) UC members were defaulted and balances mapped to the UC Pathway funds on July 2nd
- 598 new Self Directed Brokerage (SDB) accounts were established during the fund action
- SDB now has 5,656 unique UC member accounts and holds $1.2B in total UC RSP plan assets

Plan Asset Breakdown by Investment Option Group: May 2015



Post Fund Action Plan Asset Breakdown by Investment Option Group: July 2015