UCRS Advisory Board

Meeting of June 17, 2016

AGENDA ITEM C

Retirement Savings Program (RSP) – Prospective Change to Direct Future Summer Salary Contributions to the 403(b) Plan

Principal Analyst Jenkins will provide background on the summer salary benefit for eligible academic appointees, initially approved by the Regents in 2000, and discuss the "transfer" of this benefit from the Defined Contribution Plan (DCP) to the 403(b) Tax-Deferred 403(b) Plan (403(b) Plan).

The summer salary benefit provides for mandatory pre-tax employee and UC contributions on summer salary pay (which is not covered compensation under UCRP); academic appointees and UC each contribute 3.5% on this pay.

Prospective contributions for the summer salary benefit will be made to the 403(b) Plan rather than to the DCP; it is anticipated that this change would be implemented in the fall of 2016. All historical summer salary contributions (and investment earnings on those amounts) will remain in the DCP: only future contributions will be directed to the 403(b) Plan.