UNIVERSITY OF CALIFORNIA Retirement Savings Program

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

Vendor Relations Management

3Q2016 Report

UNIVERSITY OF CALIFORNIA Human Resources

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3Q2016 Highlights

Overall

- $20.8 billion in assets
- 320,456 unique participants with balance
- 403(b) Plan: participation rate 52.2%; average deferral rate 9.2%
- All performance standards met
- Monitoring and resolution of 2016 Retirement Choice Program post-implementation issues

Master Recordkeeping & Member Services

- Identify, monitor, and implement transactional processes to resolve 2016 Retirement Choice Program operational issues
- Initiate in-depth planning with the UCPath Center in order to minimize manual workarounds in processing payroll and demographic file transmissions between Fidelity and the UCPath.
- Continue discussions with CSU to develop a workable program to migrate CSU DCP accounts back to CSU.

Communications & Education

- Support Choice program education through workshops and one-on-one counseling for new employees
- Prepare 2017 Retirement Review update

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Plan Participation

As of 9/30/2016	403b	DCP	457b	Total
Total Participants	133,462	288,037	31,360	**452,859**
Active Participants	84,668	171,842	23,510	**280,020**
Participants Terminated with Balances	48,794	116,195	7,850	**172,839**
Total Plan Assets	$14,605,618,627	$4,065,280,339	$2,176,143,558	**$20,847,042,524**

Unique participants with balance: 320,456

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

320,456 unique participants with a balance. Largest participation count in DCP due to mandatory contributions and Safe Harbor participation.

T and R status codes are included in the Terminated Participants counts, all other status codes are rolled into the Active Participant count.

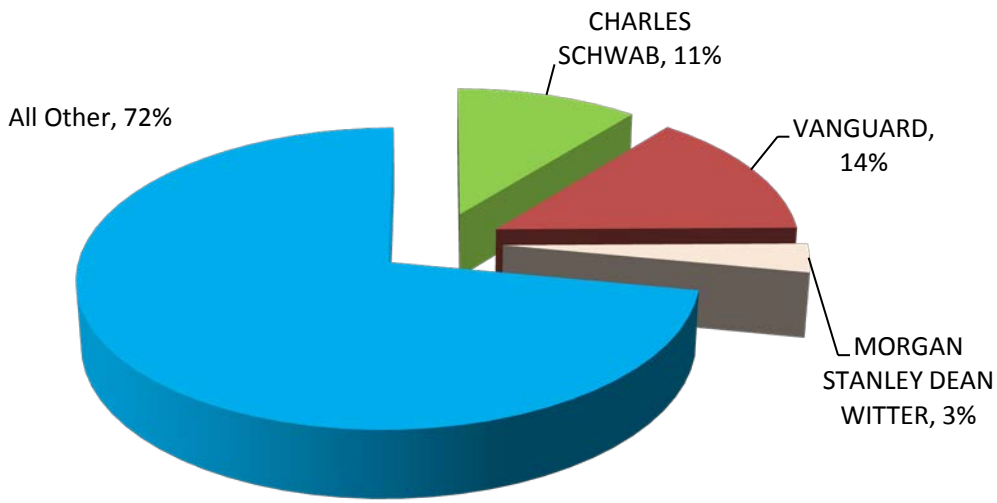
The Lost Shareholder indicator is not factored into the total count; Lost Active participants are included in the Active counts and Lost Inactive participants are included in the Inactive counts.

Rollovers

Quarterly as of 9/30/2016

	Assets $M	Individuals
Total Rollover Distributions	$245.20	2,896
Total Rollovers to Fidelity	$129.80	1,657
Total Rollovers to All Others	$115.50	1,241

Rollovers to All Others



$245 million left the UC plans and were rolled over into IRAs or other employer plans.

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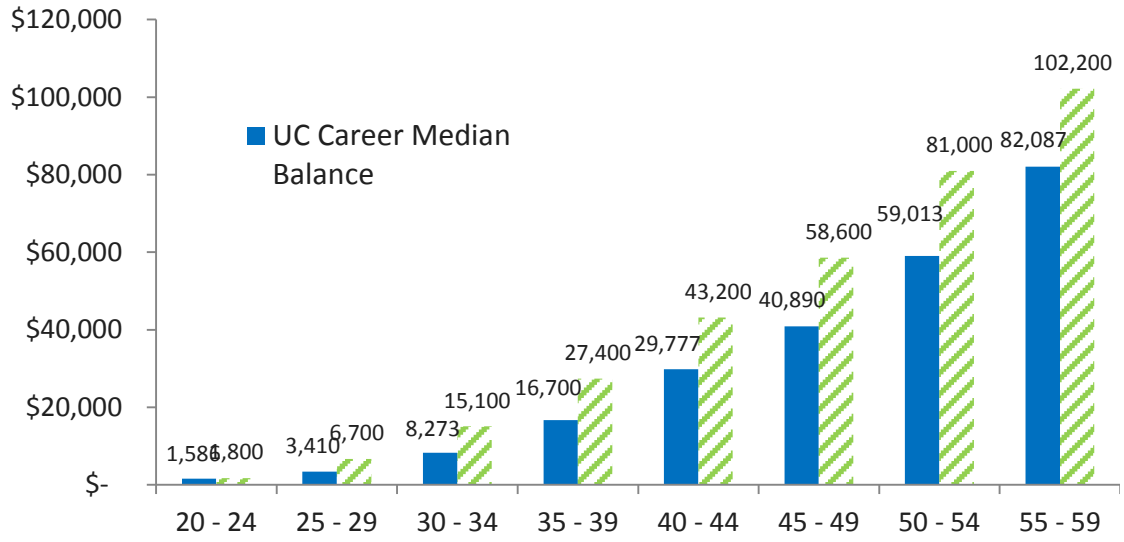
Participant Statistics

Plan participation and deferral rates have remained relatively unchanged from last quarter. Median account balances of UC career employees are lower than Fidelity's book of business.

		UC RSP 9/30/2016	% Change vs 6/30/2016	% Change vs 9/30/2015
CAREER PARTICIPANTS*				
Plan Participation Rate**	403b	52.2%	-0.3%	n/a
	457b	14.1%	-1.0%	n/a
Average Deferral Rate	403b	9.2% / $916	-2% / 1%	-5% / 1%
	457b	10.0% / $1,417	1% /2%	-5% / 2%
Median Partcipant Balance	403b	$28,607	-1.2%	1%
	457b	$26,466	1%	14%
Average Partcipant Balance	403b	$95,072	0.6%	4%
	457b	$72,029	2%	12%

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

** Participation rates were adjusted in Q4 '15 to account for any participant who is currently contributing or has made a contribution at any point in the past 12 months (Q3 '16 Unique - 54.4%).



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Retirement Readiness

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

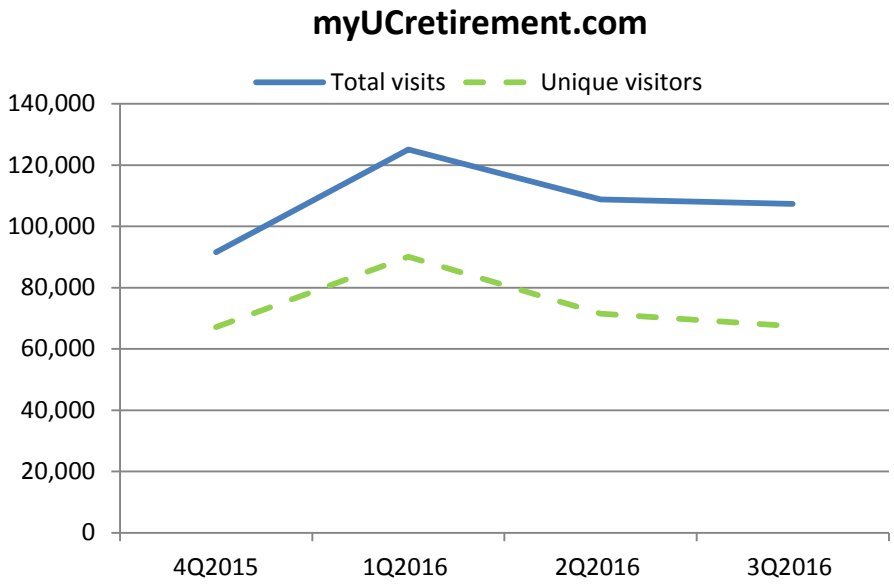
SYSTEM	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65+	ALL
RR Score of 80%	**99%**	**96%**	**90%**	**68%**	**61%**	**54%**	**49%**	**46%**	**35%**	**46%**	**59%**
CAMPUS											
< $50,000	99%	98%	89%	60%	45%	34%	25%	24%	16%	25%	57%
$50,001 - $80,000	99%	93%	89%	63%	57%	51%	48%	45%	33%	30%	58%
$80,001 - $120,000	100%	90%	89%	64%	62%	58%	57%	53%	40%	47%	58%
$120,001 - $250,000		71%	87%	69%	69%	68%	64%	62%	55%	68%	65%
> $250,000			0%	73%	61%	46%	58%	49%	45%	72%	58%
All Wages	**99%**	**96%**	**89%**	**63%**	**58%**	**53%**	**49%**	**47%**	**39%**	**51%**	**59%**
MEDICAL CENTER											
< $50,000	99%	98%	88%	64%	47%	37%	27%	23%	12%	14%	54%
$50,001 - $80,000	95%	96%	91%	72%	60%	49%	40%	35%	20%	20%	55%
$80,001 - $120,000	67%	96%	92%	79%	70%	59%	50%	48%	31%	30%	65%
$120,001 - $250,000		97%	96%	85%	79%	69%	66%	57%	40%	44%	67%
> $250,000				50%	45%	50%	37%	39%	49%	67%	50%
All Wages	**99%**	**97%**	**91%**	**75%**	**66%**	**55%**	**47%**	**43%**	**28%**	**32%**	**60%**
OTHER LOCATIONS											
< $50,000	100%	94%	85%	79%	45%	26%	31%	31%	0%	11%	61%
$50,001 - $80,000	83%	95%	93%	59%	50%	56%	49%	39%	25%	24%	56%
$80,001 - $120,000		85%	95%	60%	57%	56%	52%	47%	34%	29%	56%
$120,001 - $250,000		100%	94%	59%	73%	64%	65%	55%	46%	46%	61%
> $250,000				0%	29%	29%	17%	37%	35%	73%	36%
All Wages	**94%**	**93%**	**93%**	**61%**	**60%**	**58%**	**55%**	**48%**	**37%**	**36%**	**57%**

Approx. 47% of employees, aged 50-59 are on track to have 80% income replacement from the UCRP and RSP sources.

Onsite Education

Onsite events continue to be extremely popular with over 9,000 employees attending during Q3 '16.

	EVENTS		ATTENDANCE	
EDUCATION	**3Q2016**	**YTD**	**3Q2016**	**YTD**
Onsite events	877	2,582	9,175	24,787
One-on-One Guidance sessions				
in person	1,607	4,971	1,607	4,971
telephonic	1,072	3,279	1,072	3,279
Webinars	15	31	494	914
TOTAL	**3,571**	**10,863**	**12,348**	**33,951**



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Performance Standards

All performance standards were met in Q3 '16.

Metric	Standard	Q3 Result	Q3 '16	Q2 '16	Q1 '16
Average Speed to Answer	30	met	22	23	16
Call Abandonment Rate	3%	met	1%	1%	1%
VRS Availability	99%	met	100.00%	100.00%	99.59%
NetBenefits Availability	99%	met	99.92%	100.00%	99.97%
PSW Availability	99%	met	99.92%	99.80%	99.99%
One-and-Done Rate	90%	met	96.99%	97.60%	97.81%
Case Management	95% in 5 bus. days	met	98.66%	97.87%	97.26%
Case Management	99% in 10 bus. days	met	99.55%	99.56%	98.77%
Contribution Reconciliation	same day	met	100.00%	100.00%	100.00%
Transaction Processing	99%	met	99.99%	99.98%	99.97%
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	99.60%	100.00%	98.51%
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	yes