The University of California
Retirement Choice Program

3Q22 Election Summary

- hired/newly Choice eligible employees since 7/1/16
- who completed their 90-day election cycle as of 9/30/22

v. 02/14/2023

Executive Summary

- Starting July 1, 2016, the Retirement Choice Program offers newly hired/eligible employees the option to choose between Pension Choice and Savings Choice for their primary retirement benefit.
  - Covered compensation for Pension Choice is subject to the PEPRA max; effective 7/1/2022, the PEPRA limit is $134,974.
  - The DC supplement for Pension Choice differs for Designated Faculty and Staff groups.
  - There is a 90-day election window before defaulting into Pension Choice.
- The experience to date shows that the level of default Pension Choice (27%), active Pension Choice (36%), and active Savings Choice elections (37%) has been fairly static. **Overall, 63% are enrolled in Pension Choice and 37% in Savings Choice.**
- There were **66,779** employees eligible to choose between Pension Choice and Savings Choice who were hired on/after July 1, 2016 and completed their 90-day election cycle by September 30, 2022.
  - Of these, **27%** were rehires or existing employees who achieved a newly eligible status (Safe Harbor -> career) in the time period – thus not subject to the PEPRA max.
- New hires under collective bargaining units are becoming eligible as the units are accepting the Choice Program. **82%** of these employees are enrolled in Pension Choice.
- Five year "Second Choice Window" for Savings Choice elections offered to those with five years of participation starting Jan 2021. Pension Choice election would remain irrevocable.

UNIVERSITY OF CALIFORNIA Retirement Choice Program

Election Summary

1) Count

7/1/16 – 09/30/22	Elected Pension Choice	Defaulted Pension Choice	Elected Savings Choice*	Total Eligible
NOT Subject to PEPRA max	6,971	5,140	6,441	18,552
Subject to PEPRA max	17,227	12,917	18,083	48,227
TOTAL	**24,198**	**18,057**	**24,524**	**66,779**

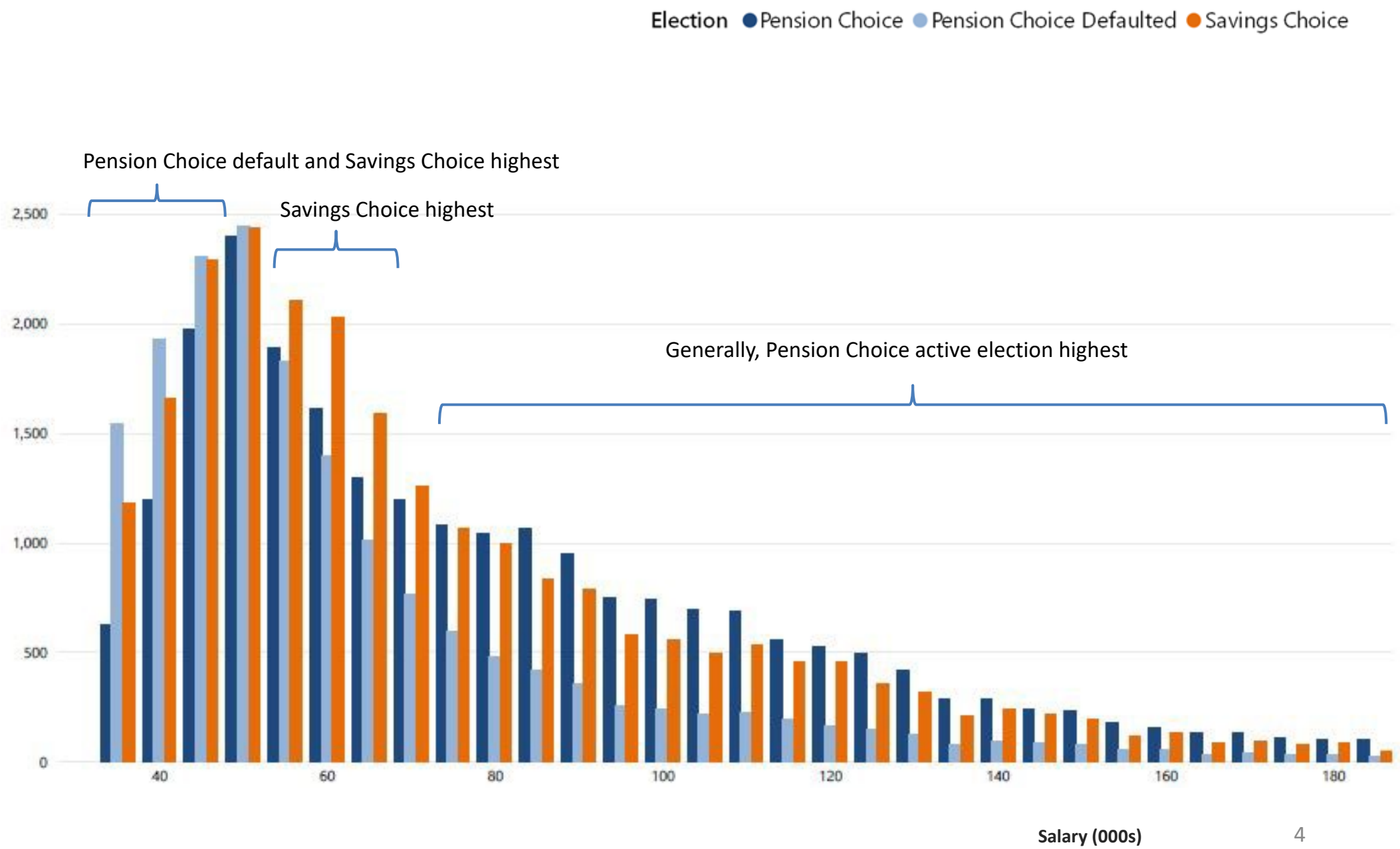
2) Percent of Total Elections

7/1/16 – 09/30/22	Elected Pension Choice	Defaulted Pension Choice	Elected Savings Choice*	Total Eligible
NOT Subject to PEPRA max	10%	8%	10%	28%
Subject to PEPRA max	26%	19%	27%	72%
TOTAL	**36%**	**27%**	**37%**	**100%**

* Covered compensation under Savings Choice option subject to IRC limit, not PEPRA max.

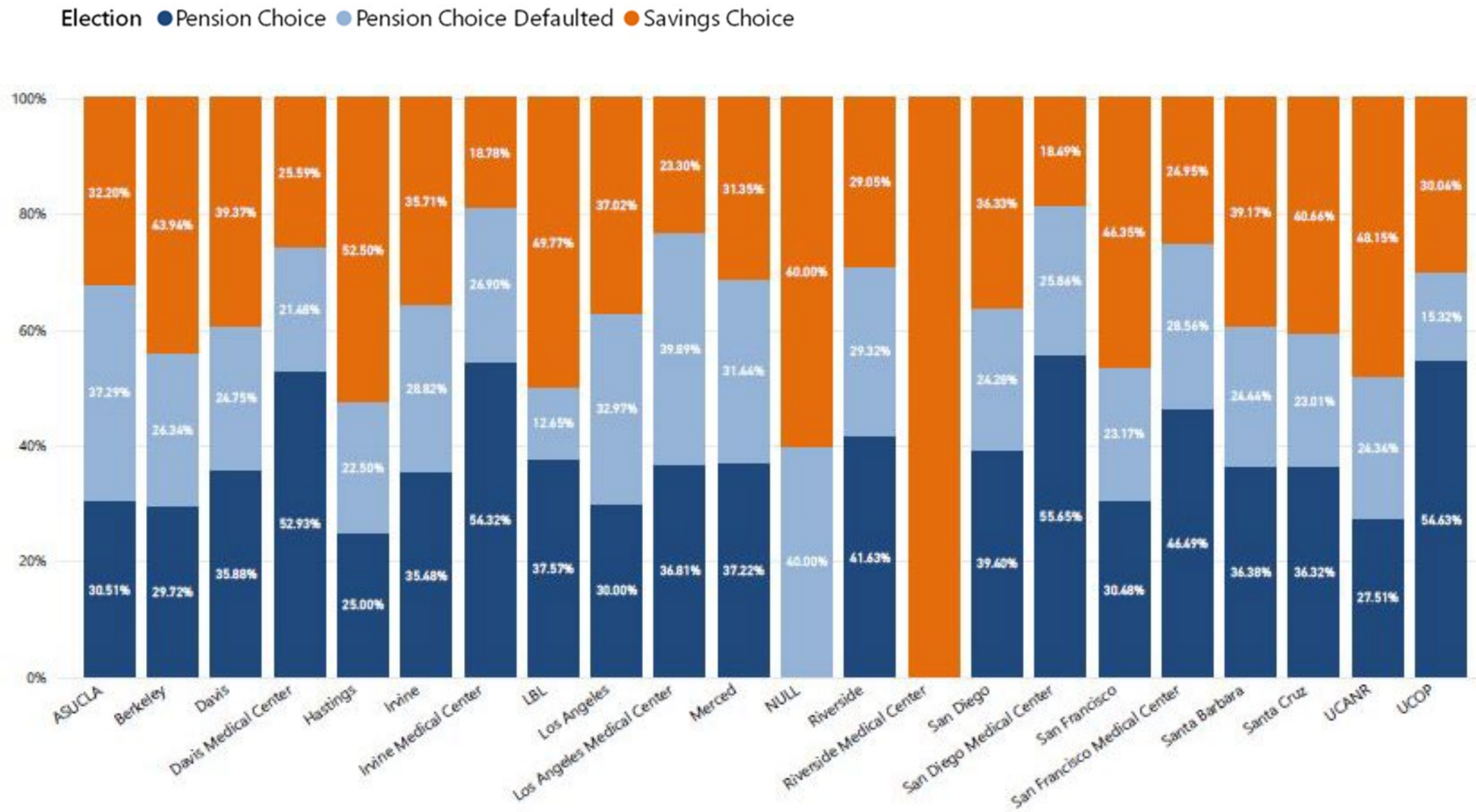
UNIVERSITY OF CALIFORNIA Retirement Choice Program

Elections by Salary (count)



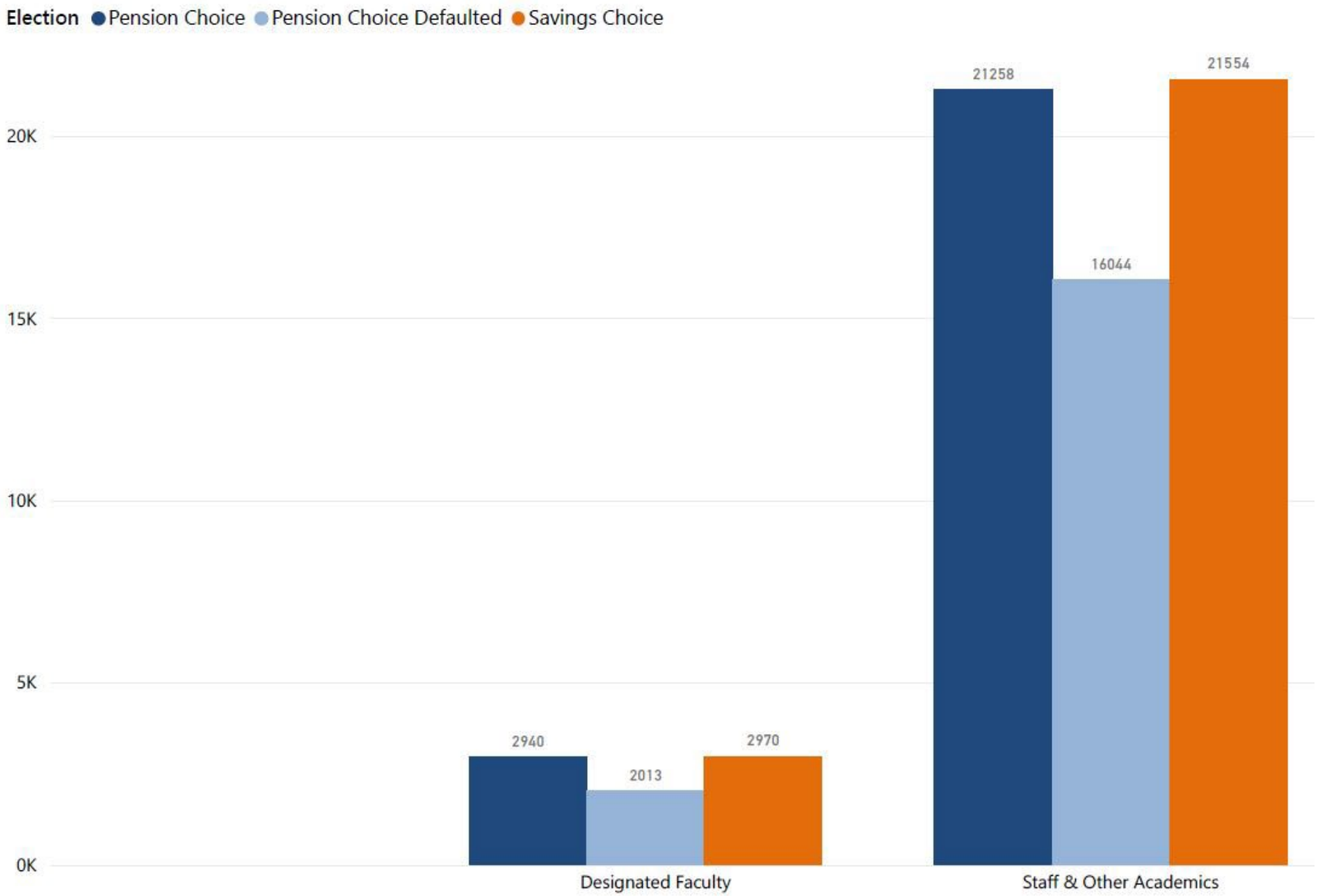
UNIVERSITY OF CALIFORNIA Retirement Choice Program

Elections by Location (percentage)



UNIVERSITY OF CALIFORNIA Retirement Choice Program

Elections by Designated Faculty vs Staff



UNIVERSITY OF CALIFORNIA Retirement Choice Program

Elections by Select Bargaining Units

- 82% of employees in select bargaining units are enrolled in Pension Choice, compared to 63% of total eligible.

7/1/16 – 09/30/22	Elected Pension Choice	Defaulted Pension Choice	Elected Savings Choice	Total Eligible
Total Eligible	**24,198 (36%)**	**18,057 (27%)**	**24,524 (37%)**	**66,779**
	63% in Pension Choice		**37% in Savings Choice**	
Clerical and Allied Services (CX)	3,242 (37%)	3,219 (37%)	2,228 (26%)	8,689
Non-Senate Instructional (IX)	364 (16%)	1,161 (49%)	823 (35%)	2,348
Skilled Crafts (K)	442 (62%)	254 (32%)	57 (6%)	753
Patient Care Technical (EX)	1,437 (54%)	913 (34%)	298 (11%)	2,648
Service (SX)	554 (31%)	1,038 (58%)	204 (11%)	1,796
Total Bargaining Units	**6,039 (40%)**	**6,585 (42%)**	**3,610 (18%)**	**16,234**
	82% in Pension Choice		**18% in Savings Choice**	