Retirement Savings Program

Fund Menu Management Project

Project Status Update
UCRS Advisory Board
June 21, 2013

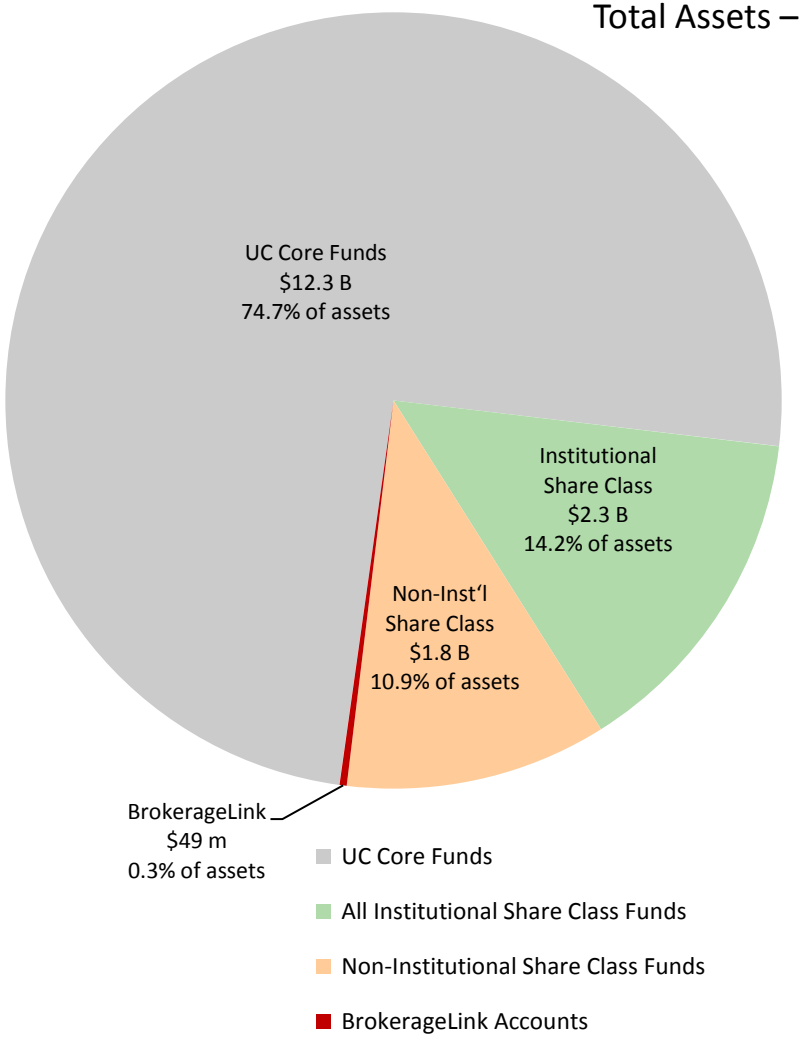
RSP Fund Menu Management: Project Goals

- Enhance value for participants
  - Fee control / reduction
- Reinforce oversight & monitoring
  - Smaller menu allows more efficient monitoring
- Improve participant experience and plan effectiveness
  - Simpler menus are easier to understand and use; less duplication
  - A smaller number of choices can alleviate confusion
    - Studies have shown that too much choice can prevent participants from making appropriate decisions

Where Retirement Savings Program (RSP) Assets Are Invested

UC Retirement Savings Program

Total Assets – Market Value as of 6/30/12



Fund Category	Market Value	% of Total Assets	Unique Participant Count	# of Funds Offered
UC Core Funds	$ 12,262,899,243	74.7%	272,671	24
All Institutional Share Class Funds	$ 2,324,628,007	14.2%	45,498	62
Non-Institutional Share Class Funds	$ 1,789,142,588	10.9%	42,806	128
BrokerageLink Accounts	$ 48,550,103	0.3%	265	thousands
Total	$ 16,425,219,941	100.0%		

All Institutional Share Class Funds includes:
Fidelity K Shares, Spartan Institutional & Calvert Institutional share class funds.

Unique count = number of participants with a balance in any fund in the category.

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RSP Fund Menu Management: Phase 1 (Complete)

- Menu management applied using pricing guidelines
  - Pricing is the most objective form of monitoring
  - Institutional fund pricing demonstrates stewardship and objectively benefits participants

- RSP fund menu modifications
  - Fund additions are controlled at plan sponsor level
  - Converted 49 Fidelity-managed mutual funds to “institutional” class shares: 3/28/2012
  - Converted 8 Calvert-managed mutual funds to “institutional” class shares: 7/31/2012

RSP Menu Management: Phase II

Reduce number of choices on platform to exclusively “UC Core” and “Institutional” class funds

March 28, 2013: **(Complete)**

Freeze non-menu funds to prevent short-term trading fees

- no new contributions
- no transfers in
- fund information still viewable
- balances still available for transfers out

June 28, 2013:

In-kind transfers for BrokerageLink account holders and mapping of non-menu fund balances

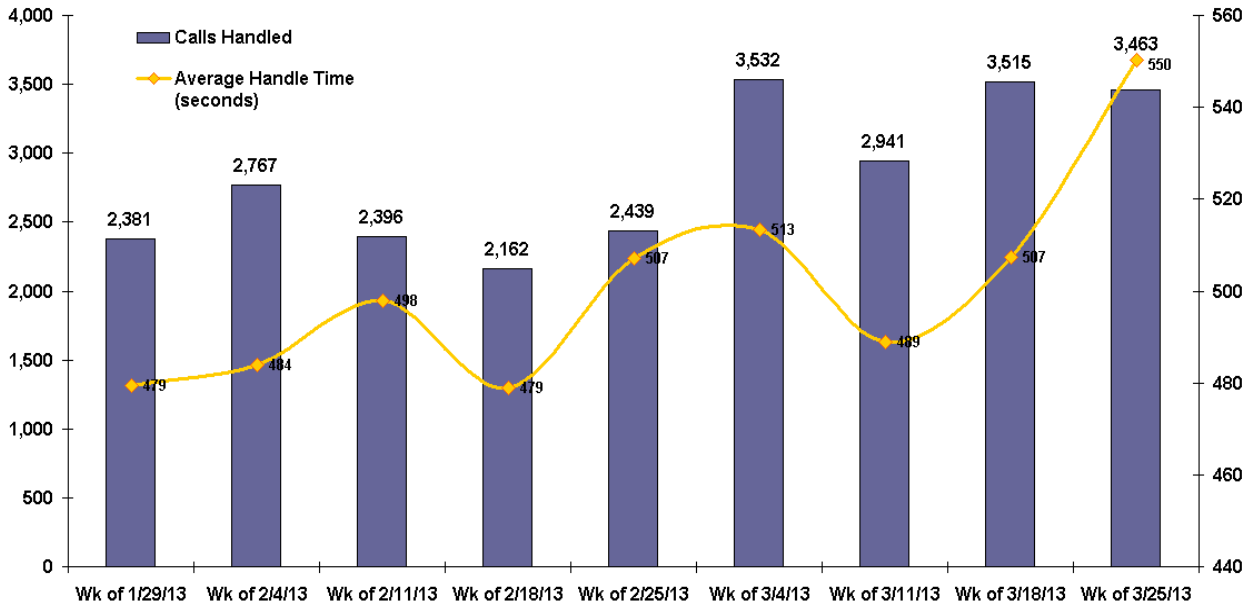
- no buys/sells involved for in-kind transfers
- no fees for in-kind transfers or mapping

RSP Phase II Communications Timeline

1. ***Our University* newsletter - *Complete*.** Published 1/22
2. ***New Dimensions* newsletter - *Complete.*** Published February 2012
3. **Announcement Letter** - *Complete*. Mailed on 1/29
4. **Website Content** (*ucfocusonyourfuture & NetBenefits*) - *Complete*. Posted 2/14
5. **Decision Guide** - *Complete*. Mailed on 2/26
6. **Personal Mapping Statement** - *Complete.* Mailed with the Decision Guide.
7. ***Understanding Fund Menu Changes* Workshop** - *Complete*. Recorded version is posted online; onsite workshops began in March.
8. **Reminder 1 Postcard** - *Complete*. Mailed 3/19
9. **Reminder 2 Postcard -** *Complete*. Mailed 6/3
10. **Reminder Outbound Phone Calls** – *In process.*
11. **Confirmation Postcard -** scheduled to mail following fund action in mid-July.

Fund Menu Management Project – Phone Volume

Fidelity Workplace Participant Services Phone Volume – University of California



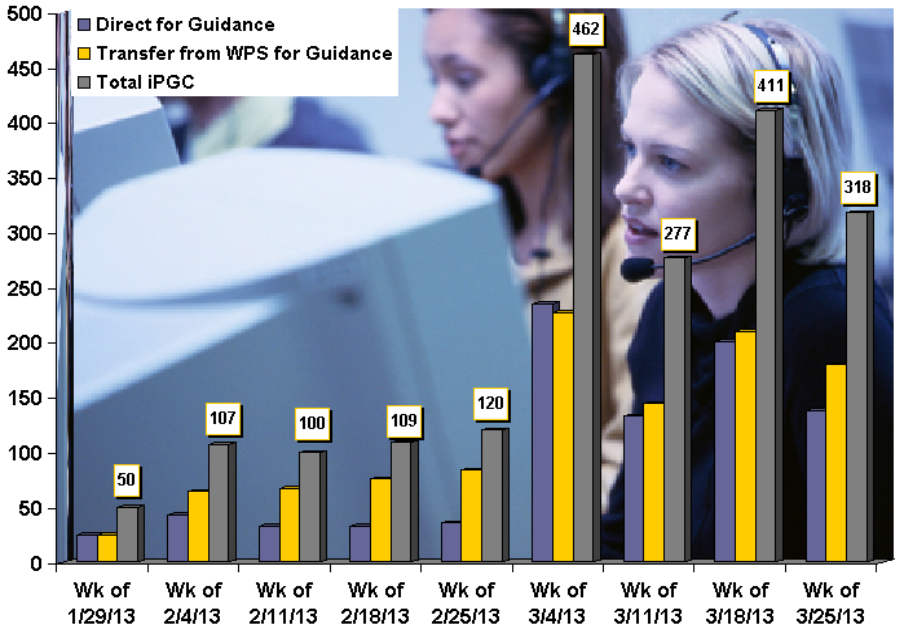
Call Volume Synopsis

January 29, 2013 – March 28, 2013

- 25,864 UC member calls handled with an average duration of 8 minutes over 42 business days
- UC call volume for same period 2012: 18,700 calls
- 2013 UC call volume for same period vs. 2012 represents 37% year-over-year increase

Fund Menu Management Project – Participant Guidance

iPGC Guidance Interactions (Phone)



On-site PGC Guidance Interactions

- 1,200 guidance interactions February - March

UC Portal Activity

Stats from the period of time the fund change communications were on the site

	Feb 25 to Apr 1, 2013	Jan 22 to Feb 24, 2013	% Change
Visits	49,176	42,571	15.5%
Unique Visitors	36,307	34,194	6.2%
New Visitors	57%	61.46%	-7.3%
Returning Visitors	43%	38.50%	11.7%
Pageviews	166,171	144,245	15.2%
Pages per visit	3.38	3.39	-0.3%
Average duration	4:33	3:36	26.4%
Top 10 Pages			
	1. Home	1. Home	
	2. UC Retirement System	2. Retirement Review	
	3. UC Streamlines Fund Menu	3. Explore Options	
	4. Explore Options	4. UC Retirement System	
	5. Retirement Review	5. Your Retirement Roadmap	
	6. Retirement Savings Plan	6. Retirement Roadmap	
	7. Your Retirement Roadmap	7. Sign Out	
	8. UC Retirement Plan	8. Logged Out	
	9. Sign Out	9. UC Retirement Plan	
	10. Plan Investments	10. Retirement Savings Plan	

UC Retirement Counselor Activity

Total events: March – 384
Total attendees: March – 3,604

Fund Menu Workshops: March – 84
Fund Menu Workshop attendees: March – 641

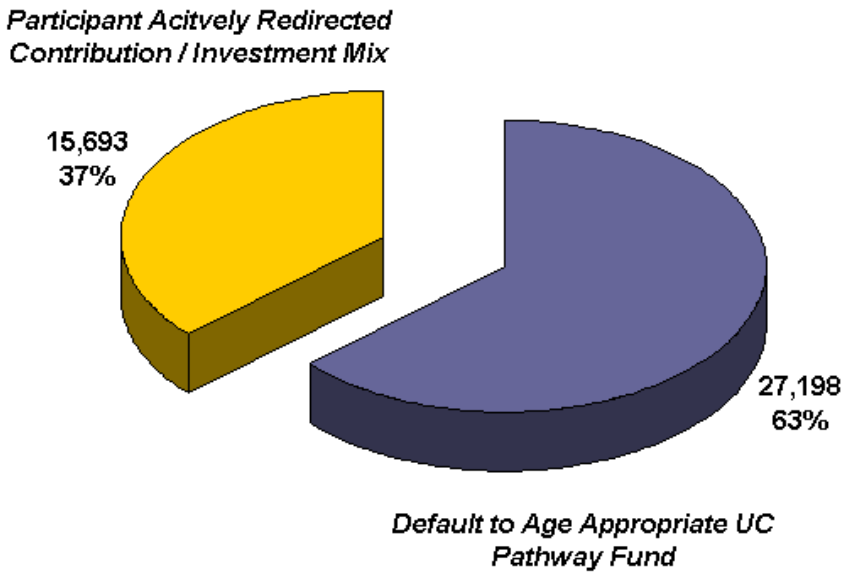
UC Web Workshop Activity

Total events: March – 23
Total attendees: March – 686

Fund Menu Workshops: March – 20
Fund Menu Workshop attendees: March – 555

Fund Menu Management Project – Asset Allocations

UC Participant Contribution Reallocation Summary



Self Directed Brokerage Accounts

- March 2013: 2,457 unique participant accounts