Meeting of June 29, 2012

AGENDA ITEM D

UCRP – Modeling of Various Maximum Employer Contribution Rates – Affect on Full Funding Policy

Director Gary Schlimgen will discuss the updated notification provided to UC locations concerning the long-term budgeting for the cost of UCRP employer contributions. The notification, which is being finalized and will be distributed at the Board meeting, includes the updated Fiscal Year 2012-2013 campus assessment rate attributable to the $2 billion transferred to UCRP through advancements from the Short-term Investment Pool (STIP) and external borrowing. It also includes an appendix reflecting the approved UCRP employer contribution rates through Fiscal Year (FY) 2013-2014 and the projected UCRP employer contribution rates through FY 2017-2018.

He will also review some alternative maximum UCRP employer contribution rates that have been modeled, based on concerns expressed that the long-term projected maximum employer contribution rate could have a significant impact on UC locations' budgets.

Attachment