The UC Retirement Choice Program

UNIVERSITY OF CALIFORNIA

Retirement Choice Program Election Summary

UCRS Advisory Board
March 1, 2024

Retirement Choice Program – Executive Summary

UNIVERSITY OF CALIFORNIA

- The UC Retirement Choice Program offers newly hired/eligible employees on/or after July 1, 2016 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 covered compensation limit; **effective 7/1/2023, the PEPRA limit is $146,042.**
  - The DC supplement for Pension Choice differs for Faculty and Staff groups.
  - There is a 90-day election window before defaulting into Pension Choice.
- The experience to date shows choice elections remain fairly static:
  - **62.81% enrolled in Pension Choice** (35.22% make an active election, 27.59% default)
  - **37.19% elect Savings Choice**
- There have been **90,709** employees eligible to choose between Pension Choice and Savings who made their choice, or defaulted, by **February 21, 2024**. And **59,628** (66%) remain actively employed.
  - **23.72% are not subject to the PEPRA limit** (those rehire employees who were UCRP members or Safe Harbor employees prior to July 1, 2016 or Classic CalPERS members).

First Choice Election Summary

UNIVERSITY OF CALIFORNIA

Count of Total Elections*:

7/1/2016 to 1/31/2024	Elected Pension Choice	Defaulted to Pension Choice	Elected Savings Choice	Total Elections
Not Subject to PEPRA	8,603	6,218	7,566	22,387
Subject to PEPRA	23,335	18,815	26,172	68,322
Total	**31,938**	**25,033**	**33,738**	**90,709**

Percent of Total Elections*:

7/1/2016 to 1/31/2024	Elected Pension Choice	Defaulted to Pension Choice	Elected Savings Choice	Total Elections
Not Subject to PEPRA	9.5%	6.85%	8.3%	24.65%
Subject to PEPRA	25.72%	20.74%	28.89%	74.35%
Total	**35.22%**	**27.59%**	**37.19%**	**100%**

*Made through February 21, 2024

First Choice Election Summary

UNIVERSITY OF CALIFORNIA

Count of Active Employees:

As of Q2 2023	Elected Pension Choice	Defaulted to Pension Choice	Elected Savings Choice	Total Active
Not Subject to PEPRA	6,584	3,531	4,027	14,142
Subject to PEPRA	17,965	11,602	15,919	45,486
Total	**24,549**	**15,133**	**19,946**	**59,628**

Percent of Active Employees:

As of Q2 2023	Elected Pension Choice	Defaulted to Pension Choice	Elected Savings Choice	Total Active
Not Subject to PEPRA	11.04%	5.92%	6.75%	23.72%
Subject to PEPRA	30.13%	19.46%	26.70%	76.28%
Total	**41.17%**	**25.38%**	**33.45%**	**100%**