The UC Retirement Choice Program

UNIVERSITY OF CALIFORNIA

First & Second Choice Election Summary

UCRS Advisory Board
December 1, 2023

Presented by:
Scott Sylva
Retirement Policy

Active Employees as of June 30, 2023 (all tiers)

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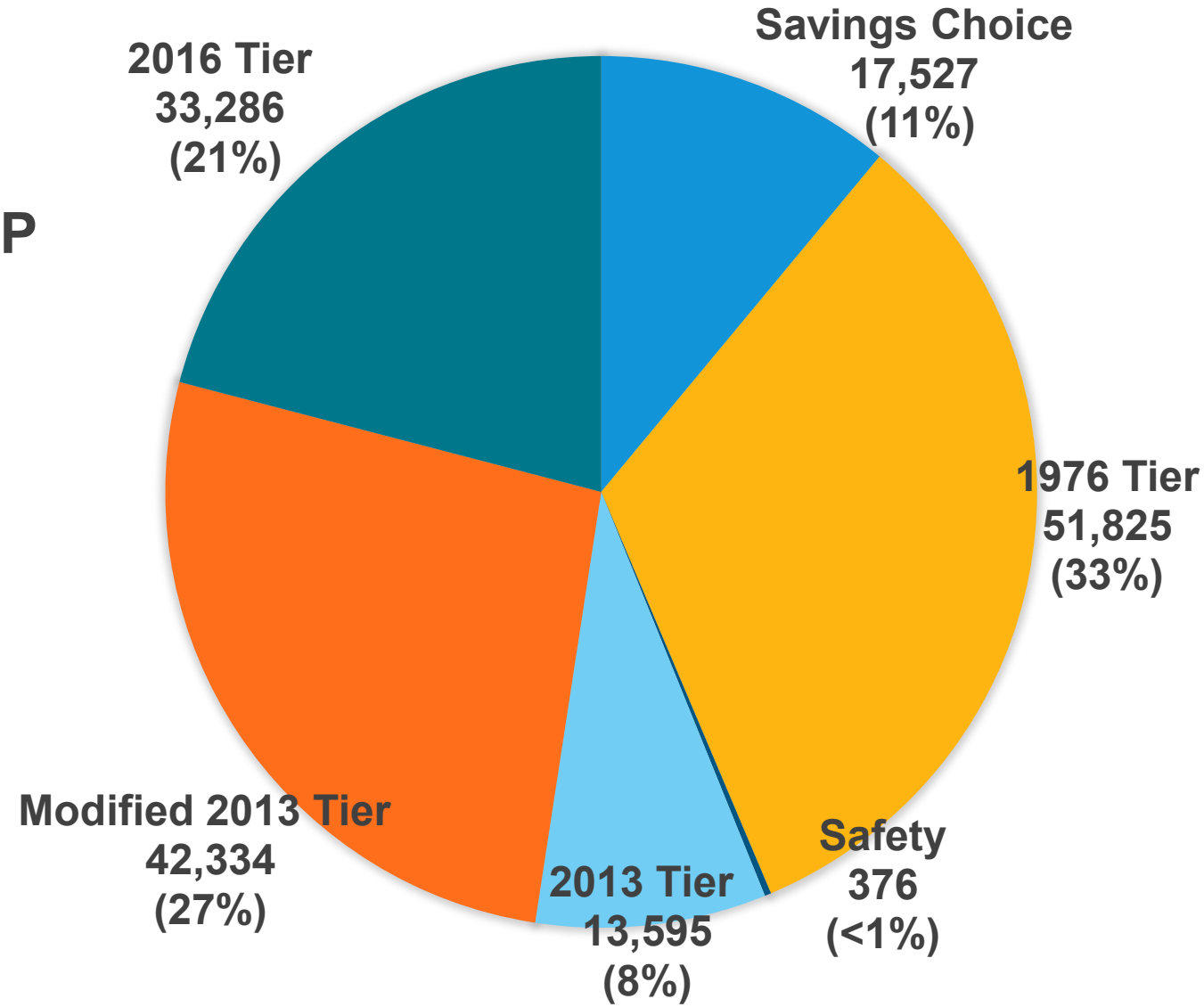
Total Active UCRP Members:
141,416

Total Active Savings Choice Participants:
17,527



UCRP benefits eligible as of June 30, 2023

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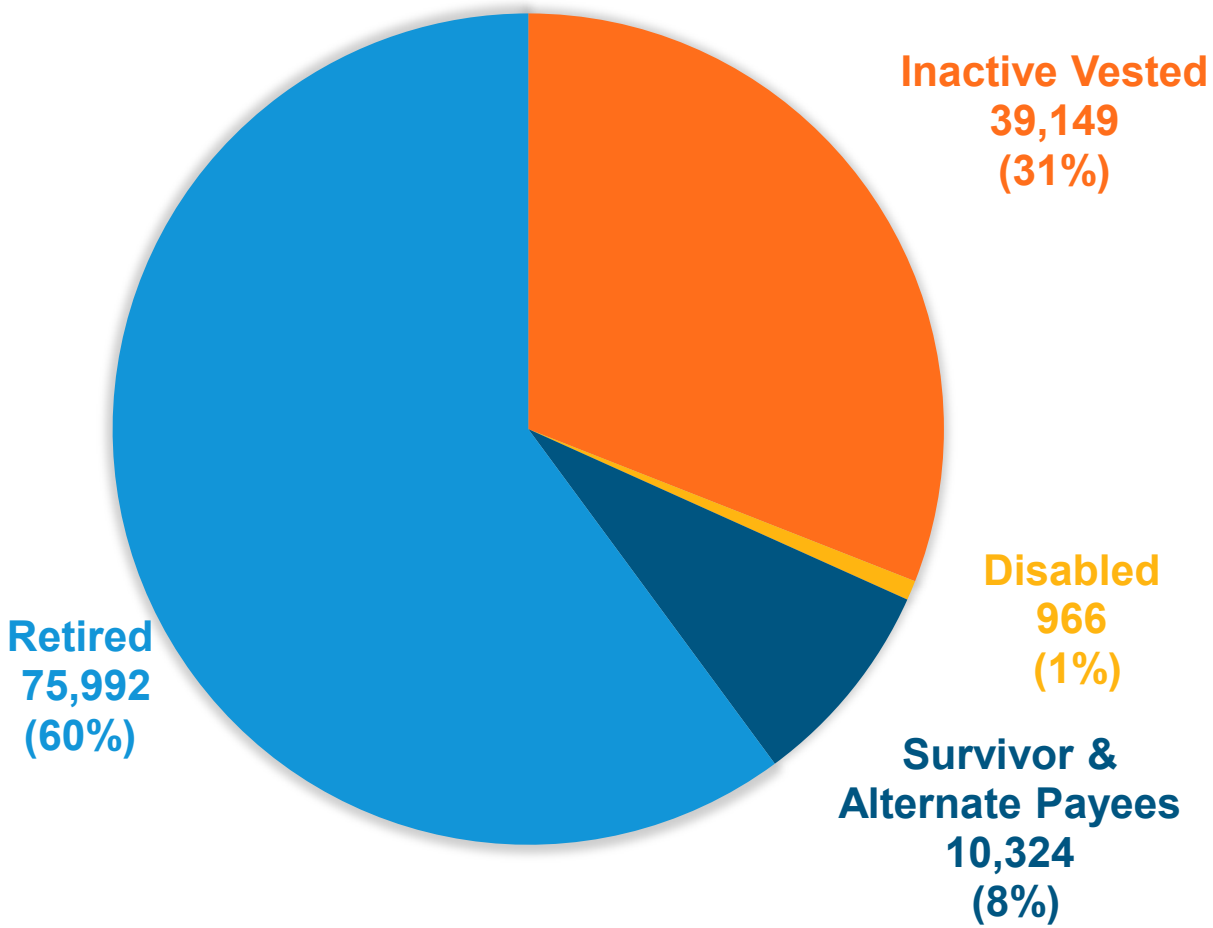
Total Receiving UCRP Benefits:
87,282

Total Receiving Retiree Health:
50,289

Total UCRP Inactive Vested Members:
39,149



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:
  - **63% enrolled in Pension Choice** (36% make an active election, 27% default)
  - **37% elect Savings Choice**
- There have been **84,511** employees eligible to choose between Pension Choice and Savings who made their choice, or defaulted, by **June 30, 2023**. And **48,607** remain actively employed.
  - **26% are not subject to the PEPRA limit** (those rehired empolyees who were UCRP members or Safe Harbor employees prior to July 1, 2016 or Classic CalPERS members).
- **68% of represented staff employees** whose collective bargaining units participate in the choice program **enrolled in Pension Choice**. *CNA, AFSCME and UPTE new hires become members of the Modified 2013 Tier with no option to select Savings Choice.*
- A five year **"Second Choice Window"** for Savings Choice participants to irrevocably switch to Pension Choice is offered at the 5th calendar year anniversary of Savings Choice election.

First Choice Election Summary

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Count of Total Elections*:

7/1/2016 to 6/30/2023	Elected Pension Choice	Defaulted to Pension Choice	Elected Savings Choice	Total Elections
Not Subject to PEPRA	8,236	5,972	7,332	21,540
Subject to PEPRA	21,841	17,007	24,123	62,971
Total	**30,077**	**22,979**	**31,455**	**84,511**

Percent of Total Elections*:

7/1/2016 to 6/30/2023	Elected Pension Choice	Defaulted to Pension Choice	Elected Savings Choice	Total Elections
Not Subject to PEPRA	10%	7%	9%	26%
Subject to PEPRA	26%	20%	28%	74%
Total	**36%**	**27%**	**37%**	**100%**

*Made through June 30, 2023

First Choice Election Summary

UNIVERSITY OF CALIFORNIA

Count of Active Employees*:

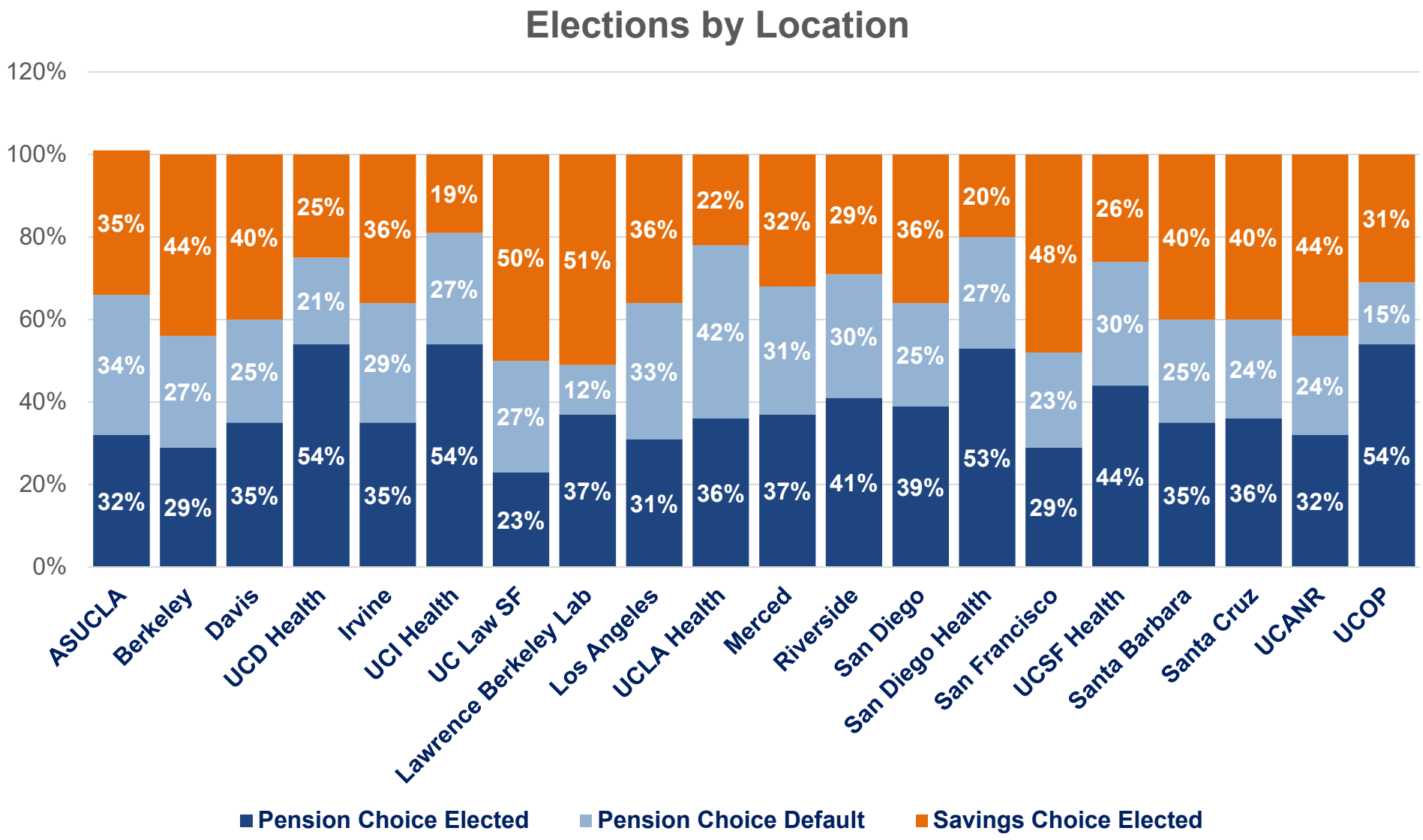
As of Q2 2023	Elected Pension Choice	Defaulted to Pension Choice	Elected Savings Choice	Total Active
Not Subject to PEPRA	5,491	2,732	3,581	11,804
Subject to PEPRA	14,424	8,433	13,946	36,803
Total	**19,915**	**11,165**	**17,527**	**48,607**

Percent of Active Employees*:

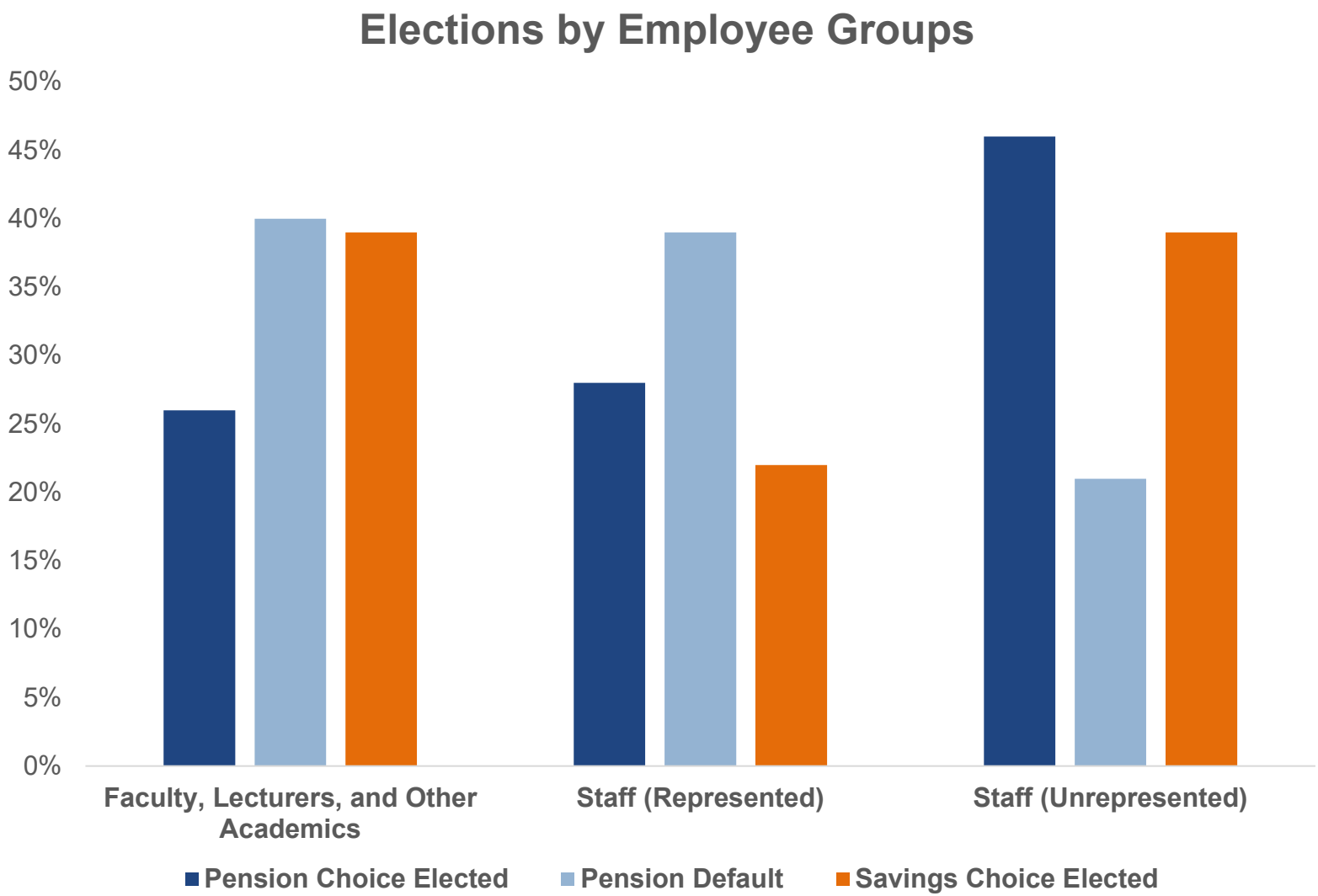
As of Q2 2023	Elected Pension Choice	Defaulted to Pension Choice	Elected Savings Choice	Total Active
Not Subject to PEPRA	11%	6%	7%	24%
Subject to PEPRA	30%	17%	29%	76%
Total	**41%**	**23%**	**36%**	**100%**

*On active payroll Apr-June 2023

Total First Choice Elections by Location



Total First Choice Elections by Employee Groups



First Choice Elections by Select Bargaining Groups

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Count of Active Employees*:

As of Q2 2023	Elected Pension Choice	Defaulted to Pension Choice	Elected Savings Choice	Total Active
Total	**19,915 (41%)**	**11,165 (23%)**	**17,527 (36%)**	**48,607**
	64% in Pension Choice		**36% In Savings Choice**	

Count by Active Employees in Select Bargaining Units*:

As of Q2 2023	Elected Pension Choice	Defaulted to Pension Choice	Elected Savings Choice	Total Active
Clerical & Allied Services (CX)	2,839	2,693	1,739	7,271
Non Senate Instuctional (IX)	287	676	503	1,466
Skilled Crafts (K)	455	216	52	723
Total for all bargaining units	**4,439**	**4,784**	**4,443**	**13,666**
	68% in Pension Choice		**32% in Savings Choice**	

*On active payroll Apr-June 2023

Employees Eligible for Second Choice

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First Cohort (2016 Savings Choice elections)

- Window opened January 1, 2021, ends May 31, 2026

Second Cohort (2017 Savings Choice elections)

- Window opened January 1, 2022, ends May 31, 2027

Third Cohort (2018 Savings Choice elections)

- Window opened January 1, 2023, ends May 31, 2028

Eligible Savings Choice participants can elect via:

- UCRAYS second choice election tool
- UCRS 216 form submitted to the RASC

Second Choice Election Summary

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Active Savings Choice Participants who elected to switch:

	Election Effective 7/1/2021	Election Effective 7/1/2022	Election Effective 7/1/2023	Remain Eligible to Switch
2016 Cohort	59	22	23	264
2017 Cohort	N/A	130	87	1,064
2018 Cohort	N/A	N/A	229	1,380
Total	**59**	**152**	**339**	**2,708**
Average Savings Choice Service	4.4182	4.6983	5.0374	5.1918*

Approximately 2,129 potentially newly eligible January 1, 2024 (2019 cohort)*

*As of 7/31/2023 payroll

Second Choice - Employee Groups

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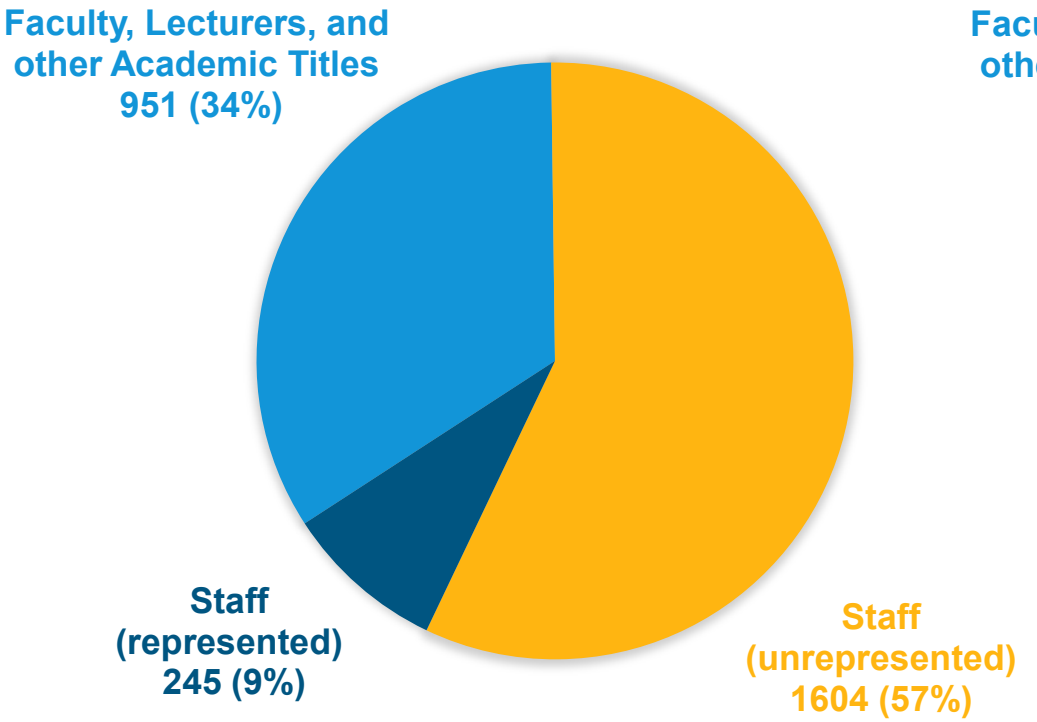
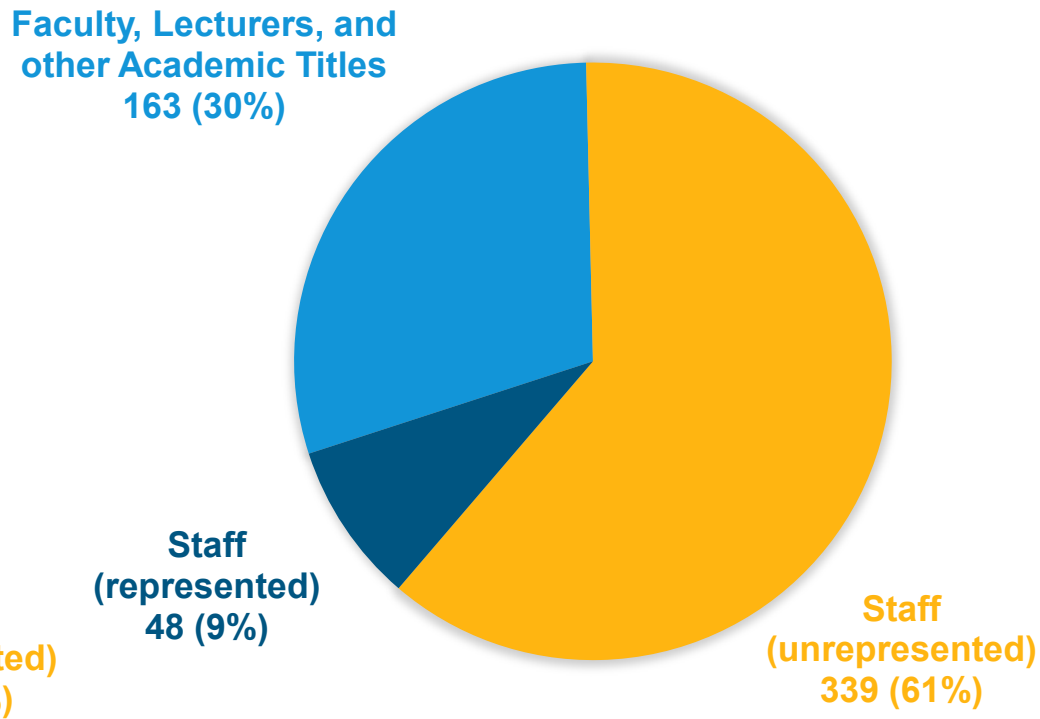
ELIGIBLE EMPLOYEES



SECOND CHOICE ELECTIONS



Data through 6/13/2023

Second Choice - PEPRA / Non-PEPRA

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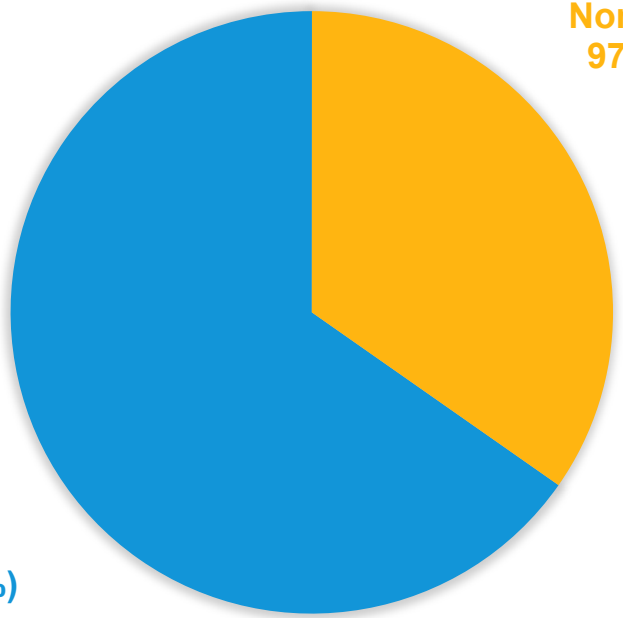
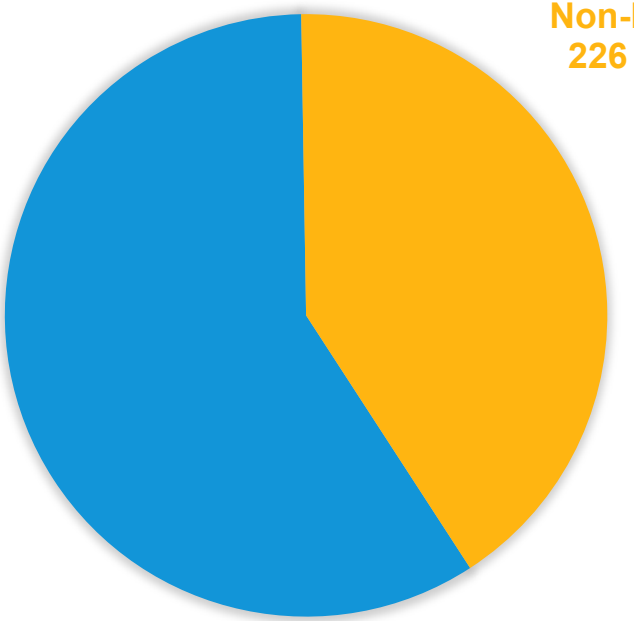
ELIGIBLE EMPLOYEES

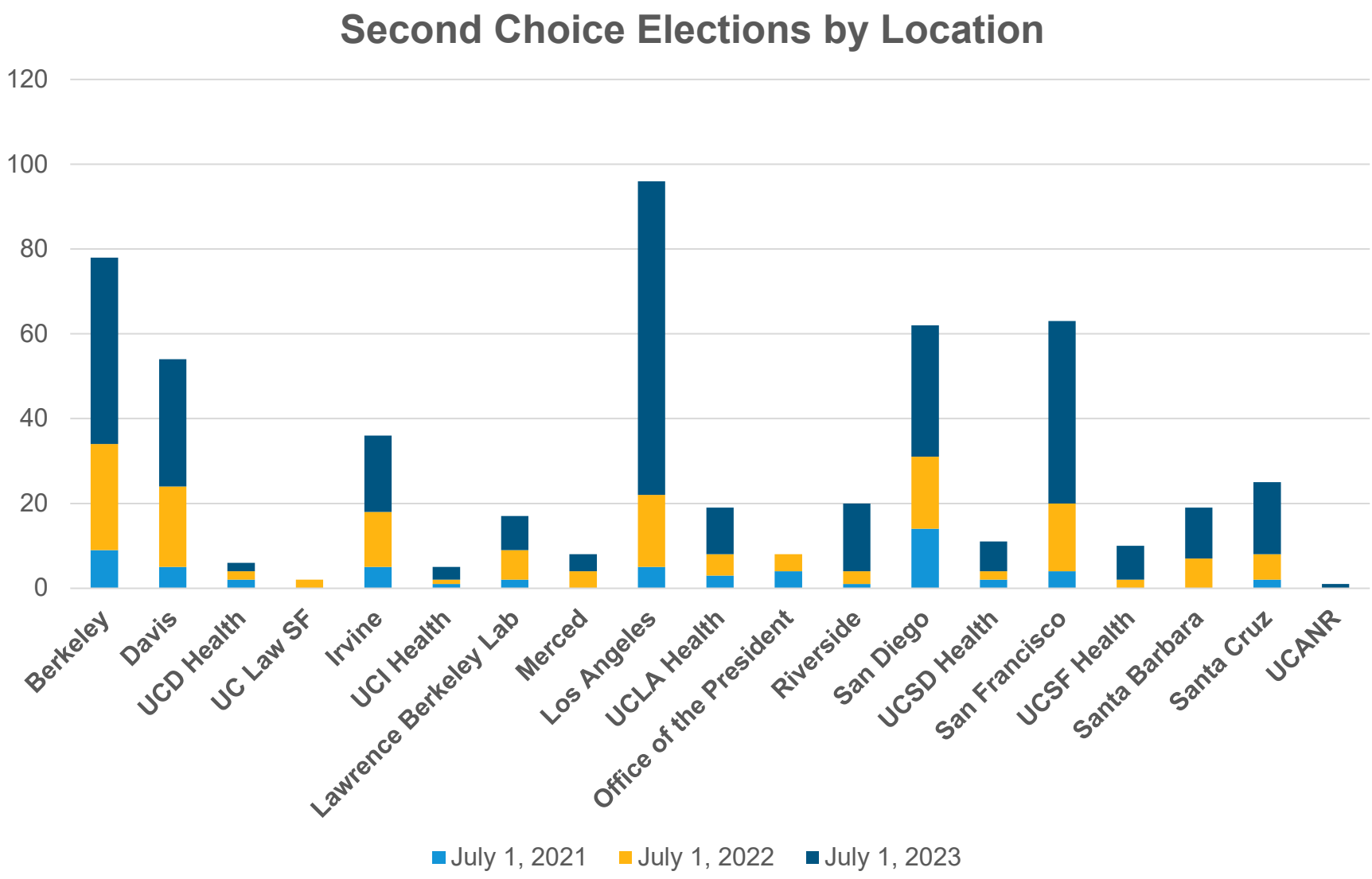


SECOND CHOICE ELECTIONS



Data through 6/13/2023

Summary of all Second Choice Elections



Data through 6/13/2023