

## **FACULTY WELFARE ALERT!**

- **UC Retirement Plan**
- **Dependent Care and Health Care Reimbursement Accounts**

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### **UC Retirement Plan contributions to restart in April 2010**

Employee contributions to the UC Retirement Plan (UCRP) will resume in April 2010. For the past eighteen years, UCRP has outperformed projections and has been overfunded. As a result, UC employees have redirected 2% of their salary to their personal Defined Contribution Plan (DCP) account instead of UCRP. For the past few years, however, the UC Regents have recognized that contributions to UCRP would need to be resumed in the near future and approved a measure in 2006 to do so. This decision to resume contributions is not the result of the most recent economic turmoil. Nevertheless, present conditions underscore the necessity of restarting contributions in order to maintain the health of our retirement plan.

At their recent February meeting, the UC Regents approved a measure to restart employee UCRP contributions on April 15, 2010. The rate of contribution will be about 2%. (2% up to Social Security wage base, then 4% over Social Security wage base, minus \$19/month.) The University's contribution rate will be determined at a later date, but is projected to be at least 4%.

Current economic conditions pose many budgetary challenges for UC. These challenges will make it difficult to raise faculty salaries in order to offset the negative impact that UCRP contributions will have on our total take-home pay. Despite this, the UC Faculty Senate leaders are doing everything they can to achieve competitiveness of UC faculty salaries compared to our peer institutions.

**Please click the following links to view more information:**

**Recently approved proposal on UCRP contributions:**

<http://www.universityofcalifornia.edu/regents/regmeet/feb09/j3.pdf>

**Frequently asked questions about your retirement plan:**

<http://www.universityofcalifornia.edu/senate/news/source/tfir.retirement.Nov08.pdf>

**Future of UC Retirement Plan:**

<http://www.universityofcalifornia.edu/news/ucrpfuture/welcome.html>

**DCP accounts:**

[http://atyourservice.ucop.edu/forms\\_pubs/spd/dcpspd.pdf](http://atyourservice.ucop.edu/forms_pubs/spd/dcpspd.pdf)

**Lump-sum cash out at retirement:**

<http://www.universityofcalifornia.edu/senate/reports/Lump%20Sum%20Cashouts%2022JAN09%20Final.pdf>

**And a letter from UC President Yudof:**

<http://www.senate.ucla.edu/committees/fw/documents/UCRPletterfromUCPresYudof11-10-08.pdf>

### **Dependent Care and Health Care Reimbursement Accounts (a.k.a. Flexible Spending Accounts)**

If you were enrolled in the Dependent Care (DepCare) or Health Care Reimbursement Account during 2008, SHPS will continue to handle your claims for your 2008 accounts.

You may use funds in your 2008 account(s) to pay for any eligible expenses through March 15, 2009. SHPS must receive the required claim for your account(s) no later than June 15, 2009.

Your SHPS HCRA benefits card expired in December, 2008 and cannot be used for any claims in 2009.  
(AtyourService.ucop.edu)

With the hope of improving service to you, CONEXIS is the new vendor for what are now called DepCare and Health Flexible Spending Accounts.

**For information about CONEXIS:**

[http://atyourservice.ucop.edu/employees/health\\_welfare/depcare\\_hcra/reimbursements.html](http://atyourservice.ucop.edu/employees/health_welfare/depcare_hcra/reimbursements.html)

**For more information DepCare and Health Flexible Spending Accounts:**

<http://map.ais.ucla.edu/portal/site/UCLA/menuitem.789d0eb6c76e7ef0d66b02ddf848344a/?vgnextoid=95313189cc2f1010VgnVCM1000008f8443a4RCRD>