

**ARTICLE 41**  
**UNIVERSITY RETIREMENT & SAVINGS PLANS**

**A. GENERAL CONDITIONS**

Eligible employees may participate in a number of retirement programs generally available to other eligible staff employees of the University.

**B. RETIREMENT AND SAVINGS PLANS**

1. The University maintains several retirement and savings plans for eligible University employees. As of December 20, 2013, such plans include but are not limited to the UC Retirement Plan (UCRP), Tax-Deferred 403(b) Plan, Defined Contribution Plan (DCP) and 457(b) Deferred Compensation Plan which collectively constitute the University of California Retirement System (UCRS). The University may, at its option, amend and/or terminate the existing UCRS plans, to the extent permitted by law and consistent with the plan terms, and establish new retirement and/or savings plans for the UCRS. In the event the University makes such alterations, the changes will apply to employees eligible to participate in the UCRS plans within the unit in the same manner as they apply to other eligible staff employees at the University. Such alterations include, but are not limited to altering eligibility criteria; altering or deleting current benefits; implementing the UCRP 2013 Tier for employees hired, rehired following a break in service, or who become UCRP eligible on or after July 1, 2013; altering employee and University rates of contribution, and changing the carrier or administrator for established plans or programs
2. The University agrees to meet and confer with respect to the following proposed change(s), which represent the sole exceptions to Section B.1., above.
  - i. any alterations proposed by the University that affect only HX bargaining unit employees;
  - ii. any alterations proposed by the University other than the UCRP 2013 Tier that reduce the UCRP retirement benefits formula of HX bargaining unit employees; and/or
  - iii. any increases in employee UCRP contributions that exceed the following, expressed as a percentage of covered compensation:
    1. (1). Contribute a gross rate of 8.6% February 1<sup>st</sup>, 2014 through June 30, 2014;
    2. (2). Contribute a gross rate of 9% effective July 1, 2014.

3. The contributions for 1976 Tier members, will continue to be offset by \$19 per month.
4. The University will pay, in a lump sum to UCRP, an amount equal to 1.5% of covered compensation for earnings from July 1, 2012 through June 30, 2013 to recoup unpaid employee contributions to UCRP during this period.
5. 2013 Post Employment Benefit Changes
  - a. The University shall implement the 2013 UCRP Tier for unit members covered by this Agreement that are hired, rehired following a break in service, or who become UCRP-eligible on or after July 1, 2013. The 2013 Tier benefit provisions shall apply, with two exceptions. First, the age factors and earliest retirement age shall be the same as for the 1976 Tier (age factors beginning with 0.0110 at age 50 up to 0.0250 at age 60). Second, a lump-sum cash out of pension benefits may be elected by a retiring unit member in a manner consistent with 1976-Tier rules.
  - b. All unit members hired, rehired following a break in service, or who become UCRP-eligible on or after the date of ratification or December 31, 2013, whichever is earlier, will be subject to the new Graduated Retiree Health Program Eligibility.
6. In the event this Agreement expires, the parties agree that the terms of this Article 41 – University Retirement and Savings Plans, preserve the status quo and will continue in full force and effect unless otherwise expressly modified by mutual agreement of both parties.

## **C. EFFECT OF LEAVES OF ABSENCE**

1. Leaves of Absence Without Pay

Approved leave without pay shall not be considered a break in service. The regulations of the retirement system determine the effects of such leave without pay on retirement benefits.

2. Family Medical Leave Act

Retirement benefits shall be continued for an employee on an approved Federal Family Medical Leave Act (FMLA) leave in accordance with the provisions of the applicable retirement system regulations.

**D. ENUMERATION OF UNIVERSITY RETIREMENT & SAVINGS PLANS**

For informational purposes only, a brief outline of retirement and savings programs in effect on the date the Agreement is signed is found in Appendix B. UPTe understands and agrees that the descriptions contained in Appendix B do not completely describe the coverage or eligibility requirements for each plan, the details of which have been independently communicated to UPTe.

Specific eligibility under each of the various plans is governed entirely by the terms of the applicable Plan Documents, custodial agreements, and state and federal laws. Employees in an ineligible classification are excluded from coverage, regardless of appointment percent and average regular paid time. For details on specific eligibility for each program, see the applicable documents, agreements, regulations, or contracts.