



Briefing

Is it time to diversify your portfolio?

It was your first week as a new UC employee, and there were just too many decisions to make. You knew you wanted to start saving for your retirement, so you enrolled in UC's Tax-Deferred 403(b)

Plan and designated a fund for your contributions. Now, months, even years have gone by and your



403(b) Plan contributions are still being invested in the same single fund. If you haven't done so already, now is a good time to take a look at your whole investment portfolio—including your Defined Contribution and 457 Deferred Compensation Plan accounts—to determine if it is properly diversified.

Diversification means making sure you have a mix of equities (stocks), bonds, and interest-income assets. By spreading investments among different asset classes that have varying degrees of risk and growth potential, you can protect

your investments from drastic swings in the market and potentially out pace inflation.

The UC Retirement Savings Program has a number of ways to help you diversify your portfolio:

- Invest in a single, diversified investment option such as one of the UC Pathway Funds or the UC Balanced Growth Fund. Each fund holds a combination of asset classes in varying mixes.
- Create your own investment mix by investing your contributions in a combination of single asset class options such as the UC Equity Fund, the UC Bond Fund, and so on.

Currently, UC and Fidelity Investments Tax-Exempt Services Company (FITSCo) are embarking on a campaign to encourage those whose Retirement Savings Program investments remain in a single non-diversified fund to consider diversifying their asset allocation.

For more information about the UC Retirement Savings Program and the investment options offered, visit the FITSCo website at netbenefits.fidelity.com or talk with a FITSCo Retirement Services Representative at 1-866-682-7787.

“By spreading investments among different asset classes, you can protect your investments from drastic swings in the market.”

Regents continue plans for gradual reinstatement of needed UCRP contributions

At their May meeting, the UC Regents continued their discussions about how to ensure the long-term financial health of the UC Retirement Plan (UCRP), including the eventual restart of contributions by both UC and UCRP members. UCRP is a defined benefit pension plan that pays lifetime monthly benefits to members when they retire.

The Regents took no action on a specific schedule to reinstate contributions, but they did reiterate their intention to require restart of contributions in July 2007, subject to the availability of funding, the budget process and, for represented employees, collective bargaining. This timing will permit lower initial UC and UCRP member contributions with gradual increases over time. Delaying the restart would require much higher initial contributions from both UC and members.

During their meeting, The Regents reviewed new projections that continue to show that without

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BRIEFS

UC People

Beginning with this issue, *HR/B Briefing* will share stories of faculty and staff accomplishments at UC locations.

UC Staff Advisor to Regents named

Irvine's Lynda Brewer is the newly selected 2006-2007 Staff Advisor to The Regents. The two-year Staff Advisor pilot program was initiated last year by the UC Board of Regents, with the strong endorsement of President Dynes. The program is designed to improve direct communication between UC employees and the Board and to help facilitate staff input into the Board's deliberations and decisions. Brewer is the assistant director of capital planning at Irvine.

Davis

Tanzanian community benefits from research team



For the past ten years, the UC Davis husband-and-wife team of Professor Tim Caro and Professor Monique Borgerhoff Mulder has spent their summers, and any other time they can find, conducting research and performing community public service in remote, impoverished Tanzanian villages. In 1998, Caro, professor of wildlife, fish and conservation biology, and Borgerhoff Mulder, professor of anthropology, established a UC Davis research base in the Mpimbwe region at the village of Kibaoni. Their research and public service efforts focus on community economic, cultural, public schooling, and health care development. Read the full story online at ucdmag.ucdavis.edu/sp06/feature_3.html.

Berkeley

Staff Assembly honors excellent managers

The Berkeley Staff Assembly (BSA), this year celebrating its 25th anniversary, honored 34 stellar managers from across the campus at its annual Excellence in Management (EIM) Awards Ceremony on May 15. Recipients were nominated by the staff they supervise based on criteria that included working to create a diverse and inclusive workforce, supporting flexible working arrangements, fostering staff development, recognizing staff, and encouraging teamwork. Read the full story online at berkeley.edu/news/berkeleyan/2006/05/03_management.shtml.

Irvine

Campus police dispatcher protects campus, U.S.



As one of the UC Irvine Police Department's dispatch-

ers, Sandra Bybee "is on the front line, taking emergency calls or reports of crimes," according to UCI Police Chief Al Brown. Bybee's role as public safety lead depends on her ability to "evaluate and distribute each call where it belongs," says Brown. Bybee's Police Department colleagues take pride not only in her effectiveness as a dispatcher, but also in her six months service earlier this year with the Air National Guard in Saudi Arabia during Operation Iraqi Freedom. Read the full story online at today.uci.edu/Features/profile_detail.asp?key=152.

San Francisco

Successful women scientists share stories, strategies

Two UCSF professors, Christine Guthrie, PhD, and Carol Gross, PhD, have for the past 30 years met bimonthly with five other high-achieving women scientists to collaborate in solving the problems of recruitment and retention that they have faced in their professional lives. The experiences of these seven women, who call their regular meetings the Group, are told in *Every Other Thursday: Stories and Strategies from Successful Women Scientists*, a book by former UC Berkeley molecular biologist Ellen Daniell, PhD. Read the full story online at pub.ucsf.edu/today/cache/feature/200605166.html.

Academic personnel policy update

Summary of Academic Personnel Manual (APM) policies issued: ucop.edu/acadao/acadpers/apm/issuance.html

APM sections and proposals under formal review: ucop.edu/acadao/acadpers/apm/review.html

benefits

Q&A

In this issue we're introducing a new feature which provides answers to questions that employees frequently ask their Benefits Representatives.

Service credit requirements for UC retiree insurance

Q: *When I retire next month, I'll be eligible to continue my UC medical coverage into retirement, and I'm trying to figure out the percentage of the UC contribution to medical coverage I will receive. If I've accumulated 10.9 years of service credit by my retirement date, will UC round up that number to 11?*

A: No. UC looks at whole years only when calculating the percentage of UC contribution towards a retiree's health benefit under the graduated eligibility rules in effect for employees hired on or after January 1, 1990. This means the number 10 will be used if you have 10.9 years of UC service (no rounding up). Keep in mind that your total service credit will include converted sick leave as of your retirement date (if any), and that could increase your years of service credit to 11.

For more information about graduated eligibility for retiree health benefits for employees who entered UCRP before January 1, 1990, see the At Your Service website (atyourservice.ucop.edu/employees/eligibility/grad_elig_chart.html) or UC's *Retirement Handbook*.

COBRA coverage for soon-to-be former spouse

Q: *My divorce will be final in two months. If I de-enroll my spouse now, will he be eligible for COBRA coverage right away?*

A: No. Reducing or eliminating coverage in anticipation of a divorce is not considered a COBRA triggering event. If you terminate his coverage before the divorce is final, he will not be eligible for COBRA coverage immediately.

However, when the divorce is final, your former spouse will be eligible for COBRA continuation coverage, even if there was a lapse in coverage. (Note: In order for your former spouse to be eligible for coverage, you or he must notify your Benefits Office or department within 60 days of the divorce date or the date coverage was lost, whichever is later.)

UCRP contributions *continued from page 1*

contributions, the UCRP will become under-funded sometime within the next several years, meaning there will not be enough money in the plan to cover all its liabilities. Accordingly, The Regents continued to discuss various contribution reinstatement options, focusing on a slow ramp-up over several years to ease the financial impact on plan members, who will have to start making new contributions. The cost of restarting contributions will be shared between UC and employees, though The Regents have not yet defined who will pay how much. It is anticipated that UC contributions will always be at least equal to the contributions made by UCRP members.

While some things remain uncertain, like the precise date UCRP might become under-funded, it is clear that resuming contributions sooner rather than later will help ease the financial burden both on the University and employees.

UC is continuing active consultation and discussions regarding the restart of contributions to UCRP with faculty, staff, and unions. Starting contributions to UCRP for represented employees will be subject to collective bargaining.

At future meetings, The Regents will hear specific recommendations as to when contributions will be restarted and how costs will be divided between the University and employees.

To stay informed about these issues, visit UC's special website, "The Future of the UC Retirement Plan," which is updated with the latest information. The site may be accessed via the At Your Service website: atyourservice.ucop.edu.

More: atyourservice.ucop.edu/briefing

Open Enrollment period to be shorter this fall

Open Enrollment will begin as usual on November 1, but will end on November 21, about a week earlier than in past years.

Regents endorse compensation task force recommendations

In mid-May, the UC Board of Regents endorsed the recommendations of a key task force and adopted several supporting actions regarding compensation issues at the University. UC President Robert C. Dynes also unveiled a plan to reform numerous UC compensation policies and practices programs. The actions taken are intended to improve compensation decisions, enhance public accountability regarding disclosure of compensation actions, while also allowing the University to remain competitive for talented faculty and staff.

For more information about these matters, including Regents' statements, a copy of Dynes' letter to the board, and details on all the compensation-related items go to: atyourservice.ucop.edu/briefing/compensation.

Your online resources

For the latest UC news about Human Resources and Benefits: At Your Service (atyourservice.ucop.edu)

For your service credit, UCRP retirement benefit estimates, CAP balance (if applicable), and insurance enrollments: At Your Service Online (<https://atyourserviceonline.ucop.edu>)

For your Retirement Savings Program benefits (DC, 403(b) and 457(b) Plans): netbenefits.fidelity.com

Briefing

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