

Business Requirements Document

SR83699 Covered Compensation Limit for 2012

Information Technology Services

Office of the President

Document Information

Document Attributes	Information
ID	SR83699
Owner	Payroll Coordination & Tax Services
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Revision History

Version	Issue Date	Changes
1.0	5/30/12	Initial Version
1.1	6/5/12	Beth Burkart – added UPAY form to document. Added functional requirements. Removed unneeded sections.

Document Approvals

Role	Name	Signature	Date
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1 Overview

The Internal Revenue Service(IRS) has announced a cost of living adjustment applicable to the covered compensation limit for defined benefit retirement plans. Therefore, effective July 1, 2012, the new limits are as follows:

- The annual compensation limit for employees who became active University of California Retirement Plan (UCRP) members prior to July 1, 1994 has been increased from \$360,000.00 to \$375,000.00.
- The annual compensation limit for employees who became active UCRP members on or after July 1, 1994 has been increased from \$245,000.00 to \$250,000.00.

1.1 Background

Per IRC section 401(a)(17), the IRS annually updates the limit of recognizable pay for retirement plans for two categories of employees: Those who became UCRP members prior to July 1, 1994 and those that became UCRP members on or after July 1, 1994.

1.2 Objectives

Update PPS Parameter Table with Covered Compensation Limit for 2012.

1.3 Related Projects & Dependencies

None

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1.4 Stakeholders

Acronym	Description	Role
*	Authorize	Has ultimate signing authority for any changes to the document
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A	Accountable	Accountable for accuracy of this document (e.g. project manager)
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Name	Position	*	R	A	S	C	I
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Jennifer Damico-Murphy	Benefits Information Systems						X
Ken Smith	Benefits Information Systems						X

1.5 Proposed Strategy

Update the System Parameter Table as follows:

Attached is a System Parameter Table form (UPAY 559) displaying the new rates. The tolerance limit is blank because it is set locally. The changes must be made available to campuses so that they can update their tables after the processing of June earnings has been completed but before any computes with July earnings are processed.

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1.1 Functional Requirements

Req ID	Requirement Type	Requirement Description	Priority [L/M/H]	Comments
R0001	Control Table	Update System Parameters 023 and 067 per attached UPAY form	H	

2 Non-Functional Requirements

N/A

3 External References

N/A

