



OFFICE OF THE SENIOR VICE PRESIDENT –  
BUSINESS AND FINANCE

OFFICE OF THE PRESIDENT  
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Oakland, California 94607-5200

August 1, 2012

BEATRICE CARDONA  
WEN TANG

Re:	Release:	2042
	Service Requests:	83732, 83742
	Programs:	None
	Copy Members:	None
	Include Members:	None
	DDL Members:	None
	Bind Members:	None
	CICS Maps:	None
	CICS Help:	None
	Forms:	None
	Table Updates:	System Parameters Table
	Urgency:	Date Mandated (see Timing of Installation below)

This release addresses the following Service Request(s):

**Service Request 83732**

Service Request 83732 provides the following background information:

“On May 6, 2012 the CalPERS Board approved the minimum required contribution rate for State employers for fiscal year 2012-2013 and announced these rates on May 21, 2012. SR83692 was submitted to update the rates in PPS. In June, the Governor signed the budget approved by the California State Legislature. As part of the budget, the State legislature approved employer contribution rates to CalPERS that were higher than those approved by the CalPERS Board in May.”

Service Request 83732 asks for the System Parameter Table to be updated with the new rates as follows:

PERS Employer Contribution Rate	20.503%
PERS FICA Employer Contribution Rate	20.503%

**Service Request 83742**

Service Request 83742 provides the following background information:

“Subsequent to the 2011 March Regents meeting, \$1.1 billion was transferred to UCRP to close the funding gap for FY2010-11 and approximately \$935 million was transferred in July for the FY2011-12 modified ARC amount. The \$1.1 billion transfer was achieved by advancing funds from the Short-term Investment Pool (STIP) and creating a note receivable that will be paid back through campus assessments over a 30-year amortization period. The interest and principal repayment for this Note is to be reset each year and is currently set at 2.57 percent interest for FY2012-13. The \$935 million transfer was achieved through external financing. The interest rate and principal repayment for the external financing is also to be reset each year and is expected to be approximately 2.00 percent interest only for FY2012-13. Given these rates, the overall interest cost for the University as a percentage of estimated covered compensation is 0.63% for FY 2012-13”.

Service Request 83742 asks for the System Parameter Table to be updated with the FY 2012-13 UCRP Supplemental Assessment Rate of 0.63%.

### **Table Updates**

#### System Parameters Table

For SR83732, PERS Employer Contribution Rate (parameter 130) and PERS FICA Employer Contribution Rate (parameter 131) have been updated with the new rates.

For SR83742, FY2012-13 Supplemental Assessment Rate (parameter 289) has been updated with the new rate.

### **Installation Instructions**

Execute PPP004 to update the following DB2 CTL table with release transactions.

System Parameters Table (01) – Use the transactions in CARDLIB (PRMPROD1) and CARDLIB (PRMPROD2)

### **Timing of Installation**

The timing of this release is **date mandated**.

The new rate must be implemented ASAP. Please target the pay cycles listed below.

Pay cycle	Pay period begin	Pay period end	Pay date
BW	July 22, 2012	August 4, 2012	August 15, 2012
SM	August 1, 2012	August 15, 2012	August 23, 2012
MO	August 1, 2102	August 31, 2012	August 31, 2012

As always, these updates should be applied to production data only as approved by your campus Payroll Manager.

Functional questions should be addressed to Jaime Espinoza at (510) 987-0905 or [Jaime.Espinoza@ucop.edu](mailto:Jaime.Espinoza@ucop.edu).

For technical questions, please send electronic mail to [Nelly.Beygel@ucop.edu](mailto:Nelly.Beygel@ucop.edu), or call (510) 587-6073.

Nelly Beygel