

Business Requirements Document

***SR83800 - 2013 Covered Compensation and 403(b)/457(b)
Plan Elective Deferral and Catch-Up Limit Changes***

Information Technology Services

Office of the President

Document Information

Document Attributes	Information
ID	SR83800
Owner	Payroll Coordination and Tax Services
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Revision History

Version	Issue Date	Changes
1.0	10/22/12	
Revised	11/15/2012	Updated BRD to reflect GTN Table update
Revised	11/20/2012	Updated Section 1.5 to reflect GTN Table
Revised	11/20/2012	B. Burkart – Prepared for posting on web. (Few small cosmetic changes)
Revised	12/14/2012	Correct Error in Section 1.5

Document Approvals

Role	Name	Signature	Date
Controller	Peggy Arrivas		

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1 Overview

The Internal Revenue Service recently announced the 2013 cost-of-living adjustments for dollar limits provided under qualified plans and tax-sheltered annuity arrangements.

The 401(a)(17) Annual Compensation Limits for employees who became active UCRP members prior to July 1, 1994 and employees who became active UCRP members after July 1, 1994 have increased for 2013. The 403(b) and 457(b) Plans Elective Deferral and Catch-Up Limits have also increased for 2013.

1.1 Background

The Internal Revenue Service makes annual cost-of-living adjustments for dollar limits provided under qualified plans and tax-sheltered annuity arrangements.

1.2 Objectives

Update the PPS GTN and System Parameter Table for the increased 2013 rates.

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
R	Responsible	Responsible for creating this document
A	Accountable	Accountable for accuracy of this document (e.g. project manager)
S	Supports	Provides supporting services in the production of this document
C	Consulted	Provides input
I	Informed	Must be informed of any changes

Name	Position	*	R	A	S	C	I
John Barrett	Tax Coordinator	X			X	X	X
Marcia Johnson	Senior Analyst		X	X			
Jennifer Damico-Murphy	Benefits Information Systems						X
Ken Smith	Benefits Information Systems						X

1.5 Proposed Strategy

Update the System Parameter Table as follows:

019	403(b) MAC under 50	\$17,500.00
020	403(b) MAC 50 plus	\$23,000.00
109	457(b) MAC under 50	\$17,500.00
110	457(b) MAC 50 plus	\$23,000.00
023	FYTD Retirement Max (prior to July 1, 1994)	\$380,000.00
067	FYTD Retirement Max	\$255,000.00

Update Gross-to-Net Table as follows:

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008	403(b) MAC Catch-Up Limit	\$26,000.00
398	457(b) MAC Catch-Up Limit	\$35,000.00

The tolerance limit is set locally.

These updates must be applied to the control tables after the last compute for December 2012 earnings and before the first compute for January 2013 earnings.

1.6 Glossary

N/A

2 Product/Solution Scope

2.1 Included in Scope

Changes to the GTN and System Parameters Table

2.2 Excluded from Scope

N/A

2.3 Assumptions & Constraints

N/A

2.4 Outstanding Items

N/A

3 Business Services and Processes

N/A

4 Business Rules

N/A

5 Business Requirements

5.1 User Requirements

N/A

5.2 Functional Requirements

Req ID	Requirement Type	Requirement Description	Priority [L/M/H]	Comments
R0001	Control Table	Update System Parameters 019, 020, 109, 110, 023, 067 and GTN 008 and 398 per attached UPAY forms.	H	

5.3 Reporting Requirements

N/A

6 Non-Functional Requirements

N/A

7 External References

N/A



PAYROLL/PERSONNEL SYSTEM PARAMETERS TABLE UPAY559 (R01/03) R1460

A/C/D 1	TBL. NO. 2 3	PARAM. NO. 4 6 8	VALUE 13 16 17	DESCRIPTION 36
C	01	019	17500.0000	403(B) MAC UNDER 50
C	01	020	23000.0000	403(B) MAC 50 PLUS
C	01	109	17500.0000	457(B) MAC UNDER 50
C	01	110	23000.0000	457(B) MAC 50 PLUS
C	01	023	0.3800.0000	FYTD RETIREMENT MAX
C	01	067	02550.0000	FYTD RETIREMENT MAX
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PREPARED BY:	DATE	APPROVED BY:	DATE
<i>Marcia Johnson</i>	<i>10/22/12</i>	<i>John Banek</i>	<i>11/5/12</i>

RETN: UNTIL ACTION TAKEN



HUMAN RESOURCES Interoffice Memo

To: **Joe Lewis**
Esther Cheung Hill
David Olson
Jennifer Damico Murphy
Margaret Lucas
Maggie Leung

Mike Baptista
Anne Wolf
Richard Townsend
Rowena Wong
Kenneth Smith
Mary Jenkins

Kris Lange
Barbara Clark
Adam Chen-Ok
Ina Potter
Christy Thompson

From: **Kathie Fujisaka**

Date: **October 19, 2012**

Subject: **2013 Indexed Figures for Tax-Qualified Employee Benefit Plans**

The Internal Revenue Service recently announced the 2013 cost-of-living adjustments for dollar limits provided under qualified plans and tax-sheltered annuity arrangements. The new limits are as follows:

	<u>2012</u>	<u>2013</u>
§415(b)(1)(A) individual maximum benefit from defined benefit plans	\$200,000	\$205,000 N/A } Per Richard Townsend
§415(c)(1)(A) individual maximum addition to defined contribution plans	\$50,000	\$51,000 N/A }
§403(b) Plan Elective Deferral Limit	\$17,000	\$17,500* ✓
§457(b) Plan Elective Deferral Limit	\$17,000	\$17,500* ✓
§401(a)(17) annual compensation limit for retirement plans	\$250,000	\$255,000 ✓
§401(a)(17) annual compensation limit for retirement plans (applicable to employees who first became Active Members of UCRP prior to July 1, 1994)	\$375,000	\$380,000 ✓

* The Elective Deferral Limit is \$17,500 if under age 50 as of 12/31/2013 or \$23,000 if age 50 or over as of 12/31/2013. For Participants age 50 or older as of 12/31/2013, the additional catch-up amount remains at \$5,500. Eligible Participants may still make additional contributions under special catch-up provisions.

cc: Dwaine B. Duckett
Gary Schlimgen
Pension & Retirement Programs

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UC HR/BENEFITS - INFORMATION SYSTEMS SUPPORT
SERVICE REQUEST
 UIRC 160ISS (R 01/00)

SR83800

DATE 10/23/12	DATE/CYCLE DUE	ESTIMATE REQUIRED? <input type="checkbox"/> YES <input type="checkbox"/> NO
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PERSON AUTHORIZING REQUEST: Peggy Arrivas	SYSTEMS CONTACT:
DEPARTMENT: Payroll Coordination	RECHARGE NO.: NR-Payroll
REQUESTOR: Marcia Johnson	SYSTEMS/FILES/PROGRAMS: PAYROLL

RETRIEVAL/SYSTEM MODIFICATION: (Description of Request)
2013 Covered Compensation and 403(b)/457(b) Plan Elective Deferral and Catch-Up Limit Changes

PRODUCTION RUN				
SYSTEM	EFFECTIVE DATE OF INFORMATION	TYPE OF RUN	TYPE OF OUTPUT	
		<input type="checkbox"/> RERUN	<input type="checkbox"/> ADD'L	<input type="checkbox"/> REPORT <input type="checkbox"/> EXTRACT FILE <input type="checkbox"/> LABELS

RETRIEVAL/PRODUCTION RUN
 DISTRIBUTION OF OUTPUT INSTRUCTIONS: (FOR RETRIEVAL REQUESTS, INCLUDE LONG TERM FILE RETENTION INSTRUCTIONS IF APPROPRIATE)

IR&C USE ONLY

<input type="checkbox"/> R	<input type="checkbox"/> NR	<input type="checkbox"/> IM STAFF _____ TO:	<input type="checkbox"/> RET	<input type="checkbox"/> CORP SYS	<input type="checkbox"/> M&O	<input type="checkbox"/> PAYROLL	<input type="checkbox"/> PRODUCTION CONTROL
DATE RECEIVED	REVISED DUE DATE	DATE COMPLETED	COMPLETED BY	COMPUTING TIME/CHARGES	STAFF TIME/CHARGES	BILLING NO.	JOB NAME
COMMENTS:							
ESTIMATE INFORMATION	COMPLETION DATE	STAFF HOURS	ESTIMATED COSTS COMPUTING COSTS	ESTIMATED TOTAL COSTS			
		\$	\$	\$			

APPROVAL TO PROCEED BASED ON ESTIMATE	<i>[Signature]</i>	<i>Peggy Arrivas</i> (NAME, TITLE)	<i>11/5/12</i>	<i>Controller</i> (NAME, TITLE, ADDRESS)
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