



OFFICE OF THE SENIOR VICE PRESIDENT –
BUSINESS AND FINANCE

OFFICE OF THE PRESIDENT
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Oakland, California 94607-5200

July 2, 2015

LUKE HONES
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Re:	Release:	2192
	Service Requests:	100980, 100982, 100988, 101021, 101032
	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 Parameter Table, Gross to Net Table
	Urgency:	Date Mandated (see Timing of Installation below)

This release addresses the following Service Requests:

Service Request 100980

Service Request 100980 provides the following background information:

“The Internal Revenue Service makes annual 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 first became active UCRP members prior to July 1, 1994 and employees who first became active UCRP members after June 30, 1994 have increased for 2015. This increase is effective for the fiscal year beginning July 1, 2015 (See IRS Notice 2014-70).”

A correction was made earlier, in Release 2185, to change the Covered Compensation Limit for FY 14/15(2014 rates) to be \$260,000 instead of \$265,000.

Service Request 100980 asks to update the PPS System Parameter Table with the Covered Compensation Limit for FY 15/16 (2015 rates).

Service Request 100982

Service Request 100982 provides the following background information:

“The employer contribution rates for the California Public Employees Retirement System (CalPERS) are changing as of July 1, 2015. CalPERS announced the new rates on April 16, 2015. These rates usually adjust on an annual basis. Some University employees previously worked for a state agency covered under the CalPERS retirement plan and they continue to be covered

under the CalPERS plan as UC employees. This year the rates include an additional statutory contribution to offset increased member contributions.”

Service Request 100982 asks to update the PPS System Parameter Table with the PERS Employer Contribution Rate of 25.15% and the PERS FICA Employer Contribution Rate of 25.15%.

Service Request 100988

Service Request 100988 provides the following background information:

“The University’s Other Postemployment Benefits (OPEB) are Postemployment benefits that an employee will begin to receive at the start of retirement. This does not include pension benefits paid to the retired employee.”

Service Request 100988 asks to update the PPS System Parameter Table with the Other Postemployment Benefits Rate (OPEB) for FY 15/16.

Service Request 101021

Service Request 101021 provides the following background information:

“The California Public Employees Retirement System (CalPERS) 1959 Survivor Benefit Rate is changing as of July 1, 2015. CalPERS announced the new rate on June 10, 2015 in Circular Letter # 200-028-15. These rates usually adjust on an annual basis. This adjustment is for eligible survivors of participating CalPERS members who die while actively employed and covered by CalPERS.”

Service Request 101021 asks to update the Gross to Net Table with the new rate of 5.20.

Service Request 101032

Service Request 101032 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 2011. 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 1.50 percent interest for FY2015-1. The \$935 million transfer was achieved through external financing. Additionally, In July 2014, \$700 million was transferred from STIP to UCRP to close the funding gap for FY 2013-14. As of March 31, 2015, The outstanding amount on the STIP note was \$1,737,677,000.00. The interest rate and principal repayment for the external financing is also to be reset each year and is 2.00 percent interest only for FY2015-16. Given these rates, the overall interest cost for the University as a percentage of estimated covered compensation is 0.60% for FY 2015-16.”

Service Request 101032 asks to update the System Parameter Table with FY 2015-16 UCRP Supplemental Assessment Rate of 0.60%.

Table Updates

System Parameter Table

SR100980, SR100982, SR100988 and SR101032 have provided the transactions to update the System Parameter table. Locations will use these transactions to update the System Parameter Table (control table 01).

Gross to Net Table

SR101021 has provided the transactions to update the Gross to Net table. Locations will use these transactions to update the Gross to Net Table (control table 02).

Installation Instructions

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

- System Parameter Table (01) - Use the transactions in CARDLIB (PRMPROD1), CARDLIB (PRMPROD2), CARDLIB (PRMPROD3) and CARDLIB (PRMPROD4)
- Gross-to-Net (02) - Use the transactions in CARDLIB (GTNPROD)

Timing of Installation

The timing of this release is **Date Mandated**.

Table updates must be done after Monthly Maintenance to begin July and before the first compute with a July pay period end date. Please target the pay cycles listed below.

	<u>Pay Begin</u>	<u>Pay End</u>	<u>Pay Date</u>
BW	June 21, 2015	July 4, 2015	July 15, 2015
MO	July 1, 2015	July 31, 2015	July 31, 2015

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

Functional questions regarding Service Requests 100980, 100982, 100988 and 101021 should be addressed to Marcia Johnson at (510) 987-0944 or Marcia.Johnson@ucop.edu.

Functional questions regarding Service Request 101032 should be addressed to Jaime Espinoza at (510) 987-0905 or Jaime.Espinoza@ucop.edu.

For technical questions, please send electronic mail to Sreelekha.Sen@ucop.edu, or call (510) 987-9814.

Sreelekha Sen