



OFFICE OF THE SENIOR VICE PRESIDENT –
BUSINESS AND FINANCE

OFFICE OF THE PRESIDENT
1111 Franklin Street
Oakland, California 94607-5200

June 30, 2016

LUKE HONES
WEN TANG

Re:	Release:	2232
	Service Requests:	101394, 101401, 101408, 101419
	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 (Control Table 01), Gross to Net Table (Control Table 02)
	Urgency:	Date Mandated (see Timing of Installation below)

This release addresses the following Service Requests:

Service Request 101394

Service Request 101394 provides the following background information:

“The employer contribution rates for the California Public Employees Retirement System (CalPERS) are changing as of July 1, 2016. CalPERS announced the new rates on May 13, 2016. 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 101394 asks to update the PPS System Parameter Table with the PERS Employer Contribution Rate of 26.728 % and the PERS FICA Employer Contribution Rate of 26.728 %.

Service Request 101401

Service Request 101401 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 101401 asks to update the PPS System Parameter Table with the FY 2016-17 “Other Postemployment Benefits Rate” (OPEB) of 2.93.

Service Request 101408

Service Request 101408 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 FY2015-16. 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. Then, in December 2015, \$563.5 million was transferred from STIP to UCRP to fund ARC for FY 2015-16. As of March 31, 2016, the outstanding amount on the STIP note was \$2,278,911,000.00. The interest rate and principal repayment for the external financing is also to be reset each year and is 2.50 percent (interest only) for FY2016-17. Given these rates, the overall interest cost for the University as a percentage of estimated covered compensation is 1.19% for FY 2016-17.”

Service Request 101408 asks to update the PPS System Parameter Table with the FY 2016-17 “UCRP Supplemental Assessment Rate” of 1.19.

Service Request 101419

Service Request 101419 provides the following background information:

“The California Public Employees Retirement System (CalPERS) 1959 Survivor Benefit Rate is changing as of July 1, 2016. CalPERS announced the new rate on June 20, 2016 in [Circular Letter # 200-033-16](#). 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 101419 asks to update the Gross to Net Table with the FY 2016-17 “CalPERS 1959 Survivor Benefit Rate” of 5.15.

Table Updates

System Parameter Table

SR101394, SR101401, and SR101408 have provided the transactions to be used by locations to update the System Parameter Table (Control Table 01) as follows:

Gross to Net Table

SR101419 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)
- Gross-to-Net Table (02) – Use the transactions in CARDLIB (GTNPROD)

Please review the transactions carefully. Table entries for Parameter numbers 1 – 299 are reserved for Base. Table entries for parameter numbers 300 – 369 are reserved for the campus.

Timing of Installation

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

Table updates must be applied after June Monthly Maintenance, but prior to the first compute with July earnings. Please target the pay cycles listed below:

	<u>Pay Begin</u>	<u>Pay End</u>	<u>Pay Date</u>
BW	June 19, 2016	July 2, 2016	July 13, 2016
MO	July 1, 2016	July 31, 2016	August 1, 2016

Luke Hones, et al
June 30, 2016

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

Functional questions regarding Service Requests 101394, 101401 and 101419 should be addressed to Marcia Johnson at (510) 987-0944 or Marcia.Johnson@ucop.edu.

Functional questions regarding Service Request 101408 should be addressed to Jaime Espinoza at (510) 987-0905 or Jaime.Espinoza@ucop.edu.

For technical questions, please send electronic mail to Gerry.Mulligan@ucop.edu or call (510) 987-9175.

Gerry Mulligan