

To: Principal Investigators, Chief Administrative Officers, and Fund Managers

As you know, the University has been engaged in a multi-year review and consultation process concerning the University of California Retirement Plan (UCRP). The purpose of the review has been to ensure that the retirement plan remains financially viable and that retirement benefits remain competitive in the marketplace.

At their July 2008 meeting, the Regents discussed a proposed funding policy for UCRP to accomplish these objectives. This proposal, which includes restarting employer and employee contributions, was approved by The Regents at their September meeting. The new policy is available [online](#).

The new policy, subject to collective bargaining where applicable, establishes the date of July 1, 2009 for the resumption of employer and employee contributions to the UCRP, but does not establish the actual amount of the contributions. We expect, however, that the actual amounts of employer and employee contributions will be decided by the Regents at one of their 2009 meetings.

Although it appears that we will not know specific contribution rates for several more months, we recommend that you start planning to include a 4% employer contribution expense for UCRP, beginning on July 1, 2009. This is particularly important as you prepare and plan your Contract and Grant budget proposals for the next fiscal year, but should be part of your fiscal plan for your ongoing grants too.

We will continue to update you about the restart of contributions as decisions are made. Additional information is available in the following website: [The Future of the UC Retirement Plan](#).

Sincerely,

Roberto Peccei
Vice Chancellor for Research

Steven A. Olsen
Vice Chancellor - Finance, Budget,
and Capital Programs