

CalPERS, CalSTRS, and Comparator 8 Plans

In comparison with the two other large California pension plans⁵⁷ covering educational institutions, the UCRP's funded status is much better, but the other plans have been receiving full policy level contributions.

	UCRP	CalPERS	CalSTRS
Who is covered	Faculty and staff (covered by Soc Sec)	CSU faculty and staff; Community College staff (covered by Soc Sec)	Community College faculty (not covered by Soc Sec)
Contributions Employer	4%	19.922%	8.25% from college; 4.517% from State (2.017% basic + 2.5% for purchasing power protection)
Member/Employee	2% to Soc Sec wage base; 4% above Soc Sec wage base; \$19 per month offset	5% of earnings over \$513/mo	8% (no Soc Sec contribution)
Funded Ratio 2009	95% based on actuarial value of assets; 71% based on market value	estimated at 81% based on actuarial value of assets; 59% based on market value	estimated at 77% based on actuarial value of assets; 60% based on market value
Maximum Benefit Factor	2.5% at age 60	2.5% at age 63	2.4% at age 63
Salary used to calculate pension benefits	Highest 36 months	Generally highest 12 months	Highest 36 months (Highest 12 if 25+ years of service)

While CalPERS and CalSTRS provide traditional Defined Benefit pension plans, the University's Comparator 8 institutions show more variation. For faculty, four offer only a Defined Contribution plan, one offers only a cash balance plan and three provide choice between a Defined Benefit and a Defined Contribution plan. The institutions' staff plans are equally varied. For exempt staff, three have a Defined Contribution plan; one has a cash balance plan; and four offer a choice between a Defined Benefit plan and a Defined Contribution plan. For non-exempt staff three have a Defined

⁵⁷ California Public Employees' Retirement System (CalPERS) and California State Teachers' Retirement System (CalSTRS)

Contribution plan; one has a cash balance plan; one has a Defined Benefit plan; and three offer a choice between a Defined Benefit plan and a Defined Contribution plan.

Comparator 8 Retirement Plans for Ladder Rank Faculty

Institution	Defined Benefit Plan	DB Plan Basic Benefit Formula	DB Employee Contributions	Maximum Benefit Applies	Defined Contribution Plan	DC Plan Employer Contributions	DC Employee Contributions
U. of California	Highest 3-year average	2.5% HAP less \$1,596 (if coordinated with social security) x svc (max 40 yrs)	2% pay to SSWB + 4% pay over less \$228 (if coord with SS) (pretax)	Age 60	Unmatched savings Tax-sheltered annuity 403(b)	None None	Up to IRS limits (pretax)
Harvard	None (Frozen 7/1/95)	--	--	--	Noncontributory savings Unmatched savings 403(b)	<age 40: 5% to SSWB + 10% over; age 40+: 10% to SSWB + 15% over None	None Up to IRS limits (pretax)
M.I.T.	Cash Balance	5% of pay	None	Age 65	Savings	\$1.00 per \$1.00 match	Match 1% to 5% of pay; Up to 95% total (pretax)
Stanford University	None	--	--	--	Noncontributory savings Savings	1% pay at 1 yr svc, 2% at 2 yrs, 3% at 3 yrs, 4% at 4 yrs, 5% at 5+ yrs \$1.50 per \$1.00 on 1 st 2% of pay, \$1.00 per \$1.00 on next 2% of pay	None Match 1% to 4% of pay (pretax or posttax); Up to IRS limits (pretax)
SUNY Buffalo	Highest 3-year average (one-time election of DB or savings)	By service at termination: <20 yrs: 1.67% HAP x svc; 25+ yrs: 2% HAP x svc over 25 yrs	3.5% of pay	Age 62 or age 57 and 30 years	Savings Unmatched savings 403(b)	Based on svc: <8 yrs: 8% of pay, 8+ yrs: 10% of pay None	3% required Up to IRS limits (pretax)
U. of Illinois	Highest 4-year average (one-time election of DB or savings)	2.2% HAP x svc (max 80% HAP)	8% of pay (pretax)	Age 60 or 30 years	Savings 403(b) Unmatched savings 403(b), 457(b)	7.1% of pay (employee must contribute) None	8% (pretax) Up to IRS limits (pretax)
U. of Michigan	None	--	--	--	Savings 401(a) Unmatched savings 403(b), 457(b)	10% of pay (5% to SSWB + 10% over if in optional plan) None	5% (optl: 5% over SSEL if mandatory cvg) (pretax) Up to IRS limits (pretax)
U. of Virginia	Highest 5-year average (one-time election of DB or savings 401(a))	1.7% HAP x svc	5% of pay	SSNRA or age 60 + 90 points	Savings 401(a) Savings 403(b), 457(b)	8.9% of pay \$1.00 per \$1.00	5% required Match up to \$40/mo; Up to IRS limits (pretax)
Yale	None	--	--	--	Money purchase Mandatory savings 403(b)	5% of pay to SSWB + 7.5% over \$1.00 per \$1.00 (employee must contribute)	Up to IRS limits (pretax) Match 1% to 5%; Up to IRS limits (pretax)

Comparator 8 Retirement Plans for Exempt Staff

Institution	Defined Benefit Plan	DB Plan Basic Benefit Formula	DB Employee Contributions	Maximum Benefit Applies	Defined Contribution Plan	DC Plan Employer Contributions	DC Employee Contributions
U. of California	Highest 3-year average	2.5% HAP less \$1,596 (if coordinated with social security) x svc (max 40 yrs)	2% pay to SSWB + 4% pay over less \$228 (if coord with SS) (pretax)	Age 60	Unmatched savings Tax-sheltered annuity 403(b)	None None	Up to IRS limits (pretax)
Harvard	None (Frozen 7/1/95)	--	--	--	Noncontributory savings Unmatched savings 403(b)	<age 40: 5% to SSWB + 10% over; age 40+: 10% to SSWB + 15% over None	None Up to IRS limits (pretax)
M.I.T.	Cash Balance	5% of pay	None	Age 65	Savings	\$1.00 per \$1.00 match	Match 1% to 5% of pay; Up to 95% total (pretax)
Stanford University	None	--	--	--	Noncontributory savings Savings	1% pay at 1 yr svc, 2% at 2 yrs, 3% at 3 yrs, 4% at 4 yrs, 5% at 5+ yrs \$1.50 per \$1.00 on 1 st 2% of pay, \$1.00 per \$1.00 on next 2% of pay	None Match 1% to 4% of pay (pretax or posttax); Up to IRS limits (pretax)
SUNY Buffalo	Highest 3-year average (one-time election of DB or savings)	By service at termination: <20 yrs: 1.67% HAP x svc; 20+ yrs: 2% HAP x svc over 20 yrs	3% of pay	Age 62	Savings Unmatched savings 403(b)	Based on svc: <8 yrs: 8% of pay, 8+ yrs: 10% of pay None	3% required Up to IRS limits (pretax)
U. of Illinois	Highest 4-year average (one-time election of DB or savings)	2.2% HAP x svc (max 80% HAP)	8% of pay (pretax)	Age 60 or 30 years	Savings 403(b) Unmatched savings 403(b), 457(b)	7.1% of pay (employee must contribute) None	8% (pretax) Up to IRS limits (pretax)
U. of Michigan	None	--	--	--	Savings 401(a) Unmatched savings 403(b), 457(b)	10% of pay (5% to SSWB + 10% over if in optional plan) None	5% (optl: 5% over SSEL if mandatory cvg) (pretax) Up to IRS limits (pretax)
U. of Virginia	Highest 5-year average (one-time election of DB or savings 401(a))	1.7% HAP x svc	5% of pay	SSNRA or age 60 + 90 points	Savings 401(a) Savings 403(b), 457(b)	8.9% of pay \$.50 per \$1.00	5% required Match up to \$40/mo; Up to IRS limits (pretax)
Yale	Highest 5-year average (one-time election of DB or savings)	1.5% HAP up to \$38k, 1.4% from \$38k-\$70k, 1.3% over \$70k x svc	None	Age 65 or age 60 + 25 years	Money purchase Mandatory savings 403(b)	5% of pay to SSWB + 7.5% over \$1.00 per \$1.00 (employee must contribute)	Up to IRS limits (pretax) Match 1% to 5%; Up to IRS limits (pretax)

Comparator 8 Retirement Plans for Nonexempt Staff

Institution	Defined Benefit Plan	DB Plan Basic Benefit Formula	DB Employee Contributions	Maximum Benefit Applies	Defined Contribution Plan	DC Plan Employer Contributions	DC Employee Contributions
U. of California	Highest 3-year average	2.5% HAP less \$1,596 (if coordinated with social security) x svc (max 40 yrs)	2% pay to SSWB + 4% pay over less \$228 (if coord with SS) (pretax)	Age 60	Unmatched savings Tax-sheltered annuity 403(b)	None None	Up to IRS limits (pretax)
Harvard	None (Frozen 7/1/95)	--	--	--	Noncontributory savings Unmatched savings 403(b)	<age 40: 5% to SSWB + 10% over; age 40+: 10% to SSWB + 15% over None	None Up to IRS limits (pretax)
M.I.T.	Cash Balance	5% of pay	None	Age 65	Savings	\$1.00 per \$1.00 match	Match 1% to 5% of pay; Up to 95% total (pretax)
Stanford University	None	--	--	--	Noncontributory savings Savings	1% pay at 1 yr svc, 2% at 2 yrs, 3% at 3 yrs, 4% at 4 yrs, 5% at 5+ yrs \$1.50 per \$1.00 on 1 st 2% of pay, \$1.00 per \$1.00 on next 2% of pay	None Match 1% to 4% of pay (pretax or posttax); Up to IRS limits (pretax)
SUNY Buffalo	Highest 3-year average (one-time election of DB or savings)	By service at termination: <20 yrs: 1.67% HAP x svc; 20+ yrs: 2% HAP x svc over 20 yrs	3% of pay	Age 62	Savings Unmatched savings 403(b)	Based on svc: <8 yrs: 8% of pay, 8+ yrs: 10% of pay None	3% required Up to IRS limits (pretax)
U. of Illinois	Highest 4-year average (one-time election of DB or savings)	2.2% HAP x svc (max 80% HAP)	8% of pay (pretax)	Age 60 or 35 years	Savings 403(b) Unmatched savings 403(b), 457(b)	7.1% of pay (employee must contribute) None	8% (pretax) Up to IRS limits (pretax)
U. of Michigan	None	--	--	--	Savings 401(a) Unmatched savings 403(b), 457(b)	10% of pay (5% to SSWB + 10% over if in optional plan) None	5% (optl: 5% over SSEL if mandatory cvg) (pretax) Up to IRS limits (pretax)
U. of Virginia	Highest 5-year average	1.7% HAP x svc	5% of pay	SSNRA or age 60 + 90 points	Savings 403(b), 457(b)	\$.50 per \$1.00	Match up to \$40/mo; Up to IRS limits (pretax)
Yale	Highest 5-year average (one-time election of DB or savings)	1.5% HAP up to \$38k, 1.4% from \$38k-\$70k, 1.3% over \$70k x svc	None	Age 65 or age 60 + 25 years	Savings 403(b)	\$1.00 per \$1.00 (employee must contribute)	Match 2% of pay, 4% of pay if age 45 & 5 yrs; Up to IRS limits (pretax)