



Facts for union-represented employees about UC's retirement benefits proposal

Q: Is UC proposing to cut my pension?

A: No. UC's proposal doesn't apply to current employees or their pension benefits.

UC's retirement benefits proposal only affects future employees in the bargaining unit hired after a new contract is ratified.

Q: What is UC proposing for future employees?

A. As with future non-represented employees, UC is proposing that future represented employees choose between a traditional pension, with eligible pay capped at \$118,775 in 2017, or a 401(k)-style plan, whichever they feel is right for them. For more details, see our [complete fact sheet](#).

Q: Why is UC offering future employees a choice between a pension and a 401(k)-style plan?

A. Employee needs and goals vary. Some employees stay at UC for many years, while others do not. Future employees who plan to stay at UC for many years might prefer the pension option, while a 401(k)-style option may be attractive to those who only stay with UC for a few years and want a retirement option that transfers with them to their next job. Offering future employees a choice of retirement benefits allows UC to more effectively support the retirement goals of different employees.

Q. If a lot of new employees choose the 401(k)-style option, will it "destabilize" the UC Retirement Plan or put my pension at risk?

A. No. This will not destabilize UC's pension program or affect your pension benefits. UC's independent actuary has confirmed that as long as UC continues to make contributions to its unfunded liability, which remains a key university priority, allowing future employees to elect the 401(k)-style option does not jeopardize UC's ability to pay pension benefits.

Q. What if a future employee doesn't want the 401(k)-style plan? Can he/she still choose the UC pension plan?

A. Yes. Future employees are free to choose the plan if they want. The pension plan is the default if a new employee does not make a selection.