

SUMMARY OF UCRP SERVICE CREDIT BUYBACK CHANGES

Beginning May 1, 2009, The Regents approved new repayment provisions for buyback of UC Retirement Plan (UCRP) service credit for leaves of absence and redeposit of contributions by active employees. They also approved other changes to expand the election period and the amount of leave time that can be purchased. To request a buyback estimate, send a completed Service Credit Buyback Information Request UCRS 169 form along with required payroll records to: HR – Benefits, 2150 Shattuck Ave., Suite 750, MC 3540, Attn: Retirement Analyst’s name. If employee’s last name begins with: A - C: Kim Martin (643-7634 or kmartin@berkeley.edu), D – L, Emily Ladner (642-1122 or ladner@berkeley.edu), M – Z, Darda Swanson (642-9310 or dswanson@berkeley.edu).

Changes for Leave Buybacks	
Old Provision	New Provision
Member must elect buyback within three years of returning from leave	Allow buyback election at any time following the leave while the employee is an active UCRP member
Member cost is based on Plan Normal Cost	<ul style="list-style-type: none"> Leaves beginning before July 1, 1997: Member cost is based on Plan Normal Cost if election is made within three years of returning from leave, and individual actuarial cost if election is made after three years of returning from leave Leaves beginning on or after July 1, 1997 and election is made within three years of returning from leave: Member cost is based on Plan Normal Cost for first two years of leave and individual actuarial cost for any additional period of leave Leaves beginning on or after July 1, 1997 and election is made after three years of returning from leave: Member cost is based on individual actuarial cost
Two year maximum length of leave eligible for a buyback (for leaves that begin July 1, 1997, or later)	No maximum length of leave eligible for a buyback
Member must purchase the full leave period up to maximum	Allow member the option to purchase a partial leave in full year increments or the full leave period (for example, for a 2½ year leave, member has option to purchase 1, 2, or 2½ years of service credit)
	If member elects and completes a partial leave, member has option to later purchase an additional portion (in full year increments) or the remainder of the full leave period

SUMMARY OF UCRP SERVICE CREDIT BUYBACK CHANGES - *continued*

Key Provisions for Leave Buybacks Remain Unchanged
Available only to active UCRP members
Buyback election made within three-year window, use Normal Cost
Minimum leave buyback is four consecutive weeks
Military, sabbatical, and extended sick leaves and leaves that began before July 1, 1997 are not subject to a maximum limit
Consecutive leaves are considered one leave; a return to UC employment signals the end of a leave

Changes for Redeposits	
Old Provision	New Provision
Member must elect redeposit within three years of returning to University employment	Allow redeposit election at any time following return to University employment while the employee is an active UCRP member
Member cost is the amount refunded plus interest	Redeposit elections made within three years of returning to University employment, member cost is the amount refunded plus interest Redeposit elections made after three years of returning to University employment, member cost is individual actuarial cost

SUMMARY OF UCRP SERVICE CREDIT BUYBACK CHANGES - *continued*

Key Provisions for Redeposits Remain Unchanged
Available only to active UCRP members
Redeposit election made within three-year, cost is amount refunded, plus interest

Repayment Options for Leave Buybacks and Redeposits	
Old Provision	New Provision
<p>In general, payments were made on a pretax basis through payroll deduction (with fixed payment periods). Also known as “pick-up contributions.”</p> <ul style="list-style-type: none"> • For leave buybacks, the payment period was at least as long as the leave, rounded up to the next full year • Payment schedule was one to five years (full years only) 	<p>Allow member additional payment options, subject to allowable IRC limits:</p> <ul style="list-style-type: none"> • Pretax payroll deduction with more flexible payment periods (for example, for a 2½ year leave, member has the option to repay over terms less than the full leave period up to five years) • After-tax lump sum payment in accordance with IRC limits • Pretax trustee-to-trustee transfer (only from the UC 403(b), 457(b) and DC plans) • Rollover from an eligible plan (including UC and outside plans)