

UNIVERSITY OF CALIFORNIA, ACADEMIC SENATE

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*Chair of the Assembly of the Academic Senate
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University of California
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July 18, 2017

JAGDEEP BACCHER, CHIEF INVESTMENT OFFICER UNIVERSITY OF CALIFORNIA

Re: Support for Proposed Retirement Funds Menu Changes

Dear Janet:

At its June 28, 2017 meeting, the Academic Council endorsed the attached University Committee on Faculty Welfare (UCFW) recommendation to support a proposal from the Office of the CIO to implement several changes to the Retirement Savings Plan funds menu in fall 2017.

We understand that the changes include removing two UC-branded funds from the menu and repackaging and renaming other funds to increase transparency and bring about lower fees and expense ratios for some funds. Council supports the changes because it will reduce fees that Plan members pay to external vendors, and because most member/investors from UC will save on individual transactions.

Please do not hesitate to contact me if you have additional questions.

Sincerely,

A handwritten signature in blue ink that reads "Jim Chalfant".

Jim Chalfant, Chair
Academic Council

Encl

Cc: UCFW
Academic Council
Senate Director Baxter
Senate Executive Directors



UNIVERSITY COMMITTEE ON FACULTY WELFARE (UCFW)
Lori Lubin, Chair
lllubin@ucdavis.edu

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June 19, 2017

**JIM CHALFANT, CHAIR
ACADEMIC COUNCIL**

RE: Proposed Retirement Funds Menu Changes

Dear Jim,

The University Committee on Faculty Welfare (UCFW), on the recommendation of its Task Force on Investment and Retirement (TFIR), supports the proposed changes to UC's retirement funds menu as presented by the Office of the Chief Investment Officer. These changes to the UC funds menu remove two funds that duplicate less expensive funds in the fund menu. Other funds are renamed under a more intuitive and consistent convention. These changes are intended to help investors better understand their selections and therefore make more informed choices. More sophisticated investors may still access the brokerage window to better direct their investments. Support and counseling services remain unchanged, and TFIR has favorably reviewed the communications being prepared for this change. Finally, this streamlining process will also reduce the number of external managers with which UC contracts and the complexity of the remaining contracts, thus lowering fees paid by investors.

Thank you for your concern to this important topic.

Sincerely,

Lori Lubin, UCFW Chair

Copy: UCFW
Jagdeep Baccher, Chief Investment Officer
Hilary Baxter, Executive Director, Academic Senate