

# Survivor and Beneficiary Handbook

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For Family Members  
and Beneficiaries of  
Former UC Employees



# Survivor and Beneficiary Handbook

For a description of benefits available following the death of a UC retiree or a former UC employee receiving UCRP disability income, see the *Survivor and Beneficiary Handbook for Family Members and Beneficiaries of UC Retirees*.

For a description of benefits available following the death of an active UC employee, see the *Survivor and Beneficiary Handbook for Family Members and Beneficiaries of UC Employees*.

## For Family Members and Beneficiaries of Former UC Employees

This handbook describes the University of California Retirement System (UCRS) benefits that may be available to family members and/or beneficiaries following the death of an inactive UCRP member or other former UC employee.

UCRS comprises the University of California Retirement Plan (UCRP) and the UC Retirement Savings Program, the collective name for the Defined Contribution Plan (the DC Plan), the Tax-Deferred 403(b) Plan (the 403(b) Plan), and the 457(b) Deferred Compensation Plan (the 457(b) Plan).

In general, benefits are available from these plans if the former employee

- was a UCRS plan member or participant while employed at UC, and
- continued inactive participation after leaving UC employment.

In basic terms, benefits are available from UCRS if the deceased had money on deposit with UCRS at the time of death, or has UCRP service credit (no money necessary).

## Notify Customer Service When a Former UC Employee Dies

When a former UC employee dies, you should notify the University of California as soon as possible by calling the Customer Service Center at 1-800-888-8267. You should also notify Fidelity Investments Tax-Exempt Services Company (FITSCo) about plan balances in the UC Retirement Savings Program (see pages 7 and 10). Please be prepared to provide basic information about the deceased, including:

- name,
- Social Security number,
- date of birth, and
- the date of death.

You should also be prepared to provide the following information for any surviving family members:

- names,
- addresses,
- Social Security numbers, and
- dates of birth.

We ask for this information to help determine as quickly as possible what benefits may be available to survivors and beneficiaries.

## What UC Does Upon Notification of a Death

After UC is notified that a former employee has died, procedures are set in motion to ensure that any UCRP/CAP benefits payable to the former employee's survivors and/or beneficiaries are processed accurately and as quickly as possible.

After reviewing the deceased employee's records, UC sends a letter to each person who may be eligible for a benefit. Typically, this letter goes out within three weeks after the death is reported. The letter includes information about the UCRP/CAP benefits that may be payable and instructions for providing necessary documents and forms. (To ensure confidentiality, UC will not provide initial benefits information over the telephone.)

UC cannot begin paying benefits until it receives the requested documents and forms. Required documents may include copies of the death certificate and marriage or domestic partnership evidence. While it is a good idea to gather such evidence so that you know where it is, **please do not send any documents until you are specifically asked to do so.**

If you believe you are eligible for a benefit and you do **not** receive a written notice from UC, you should send an inquiry to UC HR/Benefits Retirement Administration. Any inquiries about benefit eligibility must be made in writing. Correspondence should be sent to:

UC HR/Benefits  
Retirement Administration  
P.O. Box 24570  
Oakland, CA 94623-1570



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# UCRP Benefits—When an Inactive UCRP Member Dies

## Definitions

### Inactive Membership

UCRP members leaving the University can become inactive members and retain the right to future benefits, including death benefits for their beneficiaries or family members, by leaving Plan accumulations, if any, on deposit with UCRP. A member is eligible for inactive membership upon leaving UC if he or she:

- has at least five years of service credit in one or more UCRP membership classifications;
- became a UCRP member July 1, 1989, or earlier, and reached age 62 before leaving the University, regardless of service credit;
- is eligible for reciprocity or another Plan-provided vesting agreement; or
- is a faculty member with a University/Veterans Administration joint appointment who is receiving no covered compensation.

If the member elected either a refund of UCRP accumulations or a lump sum cashout after leaving the University, no UCRP benefits are payable upon the member's death.

If the deceased member was not eligible for inactive membership but failed to take a refund of Plan accumulations when he or she left the University, the remaining accumulations and the CAP balance, if any, are paid to the member's beneficiary. No basic death payment is paid.

### Beneficiary

A beneficiary is the person(s) designated by a member to receive a benefit upon the member's death. A beneficiary can be any person, persons, or entity capable of taking and holding property.

For UCRP, beneficiaries are designated by the member online or on a *Designation of Beneficiary—Retirees, Former Employees and Others* form (UBEN 117). The beneficiary designation remains valid unless the member designates a new beneficiary, either online or by form. UC will modify a beneficiary designation if required by law (for example, to allow for community property rights in the case of divorce).

For the DC Plan, 403(b) Plan and 457(b) Plan, beneficiaries are designated online at the FITSCo website ([www.netBenefits.fidelity.com](http://www.netBenefits.fidelity.com)) or by calling 1-866-682-7787. Each of these plans can have different beneficiaries, or the same beneficiaries can be named for all. Unless otherwise stated, the beneficiary designation applies to all plans. If more than one person is named as beneficiary of a plan, the member can designate the share (%) each person should receive. If the member does not specify the share, the benefit will be paid to the beneficiaries in equal shares.

If beneficiaries are not named or if the named beneficiary is no longer living, benefits go to the first living person in this list:

- legal spouse or domestic partner,
- natural or adopted children (in equal shares)\*,
- parents (in equal shares), or
- siblings.

If none of these people are living, benefits are paid to the member's estate.

## Basic Death Payment

<b>Who is eligible</b>	The member's beneficiary.
<b>Benefit</b>	A one-time payment of \$7,500.
<b>Distribution options</b>	Can be rolled over into a traditional individual retirement account (IRA) or another employer plan, if paid to a surviving spouse. Not eligible for rollover if paid to a non-spouse beneficiary.
<b>Processing</b>	Generally issued within one month after Retirement Administration receives the required documents.

## Capital Accumulation Provision (CAP)

UCRP's Capital Accumulation Provision (CAP) provides eligible members with a supplement to their other UCRP benefits. The CAP benefit is based on allocations that were credited in their behalf by UCRP. Each allocation was calculated as a percentage of covered compensation paid during a specified time period.

<b>Who is eligible</b>	The member's beneficiary.
<b>Benefit</b>	Balance of CAP account, if any, at the time of death.
<b>Distribution options</b>	Can be rolled over into a traditional IRA or another employer plan if paid to a surviving spouse. Not eligible for rollover if paid to a non-spouse beneficiary.
<b>Processing</b>	Generally issued within one month after Retirement Administration receives the required documents.

\* Children of a deceased child share their parent's benefit.

# UCRP Benefits—When an Inactive UCRP Member Dies

## Tax Information

See page 9 and the *Special Tax Notice for Plan Distributions*.

In addition to the Basic Death Payment and CAP, **either** Monthly Survivor Income or Plan Accumulations may be payable from UCRP.

## Monthly Survivor Income

### Who is eligible

The surviving spouse or domestic partner of an inactive member who dies while eligible to retire.

An inactive member is eligible to retire if he or she has at least five years of UC service credit (vested) and has reached age 50.

### Benefit

Lifetime monthly income.

This benefit is calculated as though the member had elected to retire on the day after the date of death and chosen the full-continuance option (Option A) with the spouse or domestic partner as contingent annuitant. The benefit is payable from the first of the month following the member's death and continues until the surviving spouse or domestic partner dies.

### Distribution options

Not eligible for rollover.

### Processing

Generally, first monthly payment issued one month after Retirement Administration receives the required documents.

## Plan Accumulations

Active UCRP members may be required to make retirement contributions. When required, contributions are deducted automatically from the member's wages each pay period. UCRP maintains a record of each member's contributions, with interest credited each month. If the member is not eligible to retire at the time of death, or if there is no surviving spouse, domestic partner, or children eligible for the survivor continuance portion, any remaining accumulations are payable to the member's beneficiary.

### Who is eligible

The member's beneficiary (see page 4).

### Benefit

The member's UCRP accumulations.

### Distribution options

Can be rolled over into a traditional IRA or another employer plan if paid to a surviving spouse. Not eligible for rollover if paid to a non-spouse beneficiary.

### Processing

Generally issued within two months after Retirement Administration receives the required documents.

# UC Retirement Savings Program

As a UC employee, the deceased may have contributed to one or more of the UC-managed savings and investment plans:

- the Defined Contribution Plan (the DC Plan);
- the Tax-Deferred 403(b) Plan (the 403(b) Plan);
- 457(b) Deferred Compensation Plan (the 457(b) Plan)

Benefits from these plans are based on the amount of money contributed, plus any earnings. Beneficiaries should contact Fidelity Investments Tax-Exempt Services Company (FITSCo) (see “Resources” on page 10) for information about plan account balances and distribution options.

## Systematic Withdrawals

Systematic withdrawals from the DC Plan, 403(b) Plan, or the 457(b) Plan stop upon notification of the participant’s death. Any remaining money in the plan(s) is payable to the participant’s beneficiary.

## Minimum Distributions

The Internal Revenue Code requires that a minimum amount of money be distributed from tax-deferred savings accounts after a certain point in time, usually after the participant reaches age 70½. This requirement applies to the DC Plan, the 403(b) Plan and the 457(b) Plan. FITSCo will notify you if/when minimum distributions are required.

# Other Benefits

## Social Security

Additional benefits may be available to surviving family members through the Social Security Administration. For information, go to the Social Security Administration website at [www.ssa.gov](http://www.ssa.gov), visit your local Social Security office, or call Social Security at 1-800-772-1213.

## Other Retirement Systems

Some UC employees contribute to other public retirement systems during their UC employment. If the deceased was a member of another retirement system, additional benefits may be available. Contact the retirement system for information.

<b>California Public Employees' Retirement System (CalPERS)</b>	1-888-225-7377
<b>California State Teachers' Retirement System (CalSTRS)</b>	1-800-228-5453
<b>Civil Service Retirement System (CSRS)</b>	1-888-767-6738
<b>Federal Employees Retirement System (FERS)</b>	1-888-767-6738
<b>Sacramento County Employees' Retirement System (SCERS)</b>	1-800-336-1711
<b>Orange County Employees Retirement System (OCERS)</b>	1-714-558-6200

Retirement Administration will send you detailed tax information if you are eligible to receive money from UCRP. If the distribution is eligible for rollover, you also will receive the *Special Tax Notice for Plan Distributions*, which explains your options in detail. FITSCo will provide information about rollovers for the Retirement Savings Program accounts.

**We strongly recommend that you consult a qualified tax advisor before making any final decisions about money that was left to you as a beneficiary.**

### UCRP Basic Death Payment, CAP, 403(b) Plan, 457(b) Plan and DC Plan Distributions

Federal tax-withholding rules affect most nonperiodic distributions—including the UCRP basic death payment, CAP, 403(b) Plan and 457(b) Plan distributions, and the taxable portion of DC Plan distributions. These distributions are eligible for rollover if paid to a surviving spouse.

If the distribution is eligible for rollover, you may elect to have the distribution paid to you or you may arrange to have some or all of it rolled over directly into a traditional IRA or another employer plan. If the distribution is paid to you, the tax rules require that 20 percent be withheld for federal taxes. If some or all of the distribution is rolled over, withholding does not apply to the amount rolled over.

Distributions paid to non-spouse beneficiaries are not eligible for rollover. Distributions paid to a trust, estate, charity, or corporation named as beneficiary also are not eligible for rollover. For non-periodic distributions not eligible for rollover, 10 percent will be withheld for federal taxes unless the beneficiary specifies otherwise.

In January, you will receive a Form 1099R reporting any distributions you received during the preceding year and how much of that amount is taxable.

### UCRP Monthly Income

In general, UCRP monthly benefits, including monthly survivor income, are subject to federal and state taxes in the year you receive them. Each January, UC will send you a Form 1099R showing the distributions you received during the preceding year and how much of that amount is taxable.

Federal and state income taxes will be withheld automatically from your monthly benefit unless you elect otherwise. Retirement Administration will explain your tax-withholding options if you are eligible to receive a monthly benefit. Please note that automatic withholding amounts may not be enough to satisfy your income tax liability. You can ask UC to withhold more from your monthly payments at any time. There are penalties for not paying enough taxes, either through withholding or estimated tax payments. See a tax advisor for more information.

## UC Human Resources and Benefits

### At Your Service

[atyourservice.ucop.edu](http://atyourservice.ucop.edu)

You can access UC benefits information online by visiting the At Your Service website at [atyourservice.ucop.edu](http://atyourservice.ucop.edu). This site includes answers to frequently asked questions, online versions of many of the publications listed below, as well as links to the websites of many of the organizations listed throughout this handbook.

### Customer Service Center

1-800-888-8267

Hours: 8:30 a.m.–4:30 p.m., Monday–Friday

## Fidelity Investments Tax-Exempt Services Company (FITSCo)

### NetBenefits

[www.netBenefits.fidelity.com](http://www.netBenefits.fidelity.com)

The FITSCo website provides information about your Retirement Savings Program accounts.

### Retirement Services Center

1-866-682-7787

Hours: 5:00 a.m.–9:00 p.m., Monday–Friday

## Additional Publications

For additional information refer to the following publications, available upon request from Customer Service.

### *UC Retirement Plan Summary Plan Description*

- Members with Social Security
- Members without Social Security
- Tier Two Members
- Safety Members

### *Tax-Deferred 403(b) Plan Summary Plan Description*

### *Defined Contribution Plan Summary Plan Description*



By authority of the Regents, University of California Human Resources and Benefits, located in Oakland, administers all benefit plans in accordance with applicable plan documents and regulations, custodial agreements, University of California Group Insurance Regulations, group insurance contracts, and state and federal laws. No person is authorized to provide benefits information not contained in these source documents, and information not contained in these source documents cannot be relied upon as having been authorized by the Regents. Source documents are available for inspection upon request (1-800-888-8267). What is written here does not constitute a guarantee of plan coverage or benefits—particular rules and eligibility requirements must be met before benefits can be received. The University of California intends to continue the benefits described here indefinitely; however, the benefits of all employees, retirees, and plan beneficiaries are subject to change or termination at the time of contract renewal or at any other time by the University or other governing authorities. The University also reserves the right to determine new premiums, employer contributions and monthly costs at any time. Health and welfare benefits are not accrued or vested benefit entitlements. UC's contribution toward the monthly cost of the coverage is determined by UC and may change or stop altogether, and may be affected by the state of California's annual budget appropriation. If you belong to an exclusively represented bargaining unit, some of your benefits may differ from the ones described here. Contact your Human Resources Office for more information.

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) provides for continued coverage for a certain period of time at applicable monthly COBRA rates if you, your spouse, or your dependents lose group medical, dental, or vision coverage because you terminate employment (for reasons other than gross misconduct); your work hours are reduced below the eligible status for these benefits; you die, divorce, or are legally separated; or a child ceases to be an eligible dependent. Note: The continuation period is calculated from the earliest of these qualifying events and runs concurrently with any other UC options for continued coverage. See your Benefits Representative for more information.

In conformance with applicable law and University policy, the University is an affirmative action/equal opportunity employer. Please send inquiries regarding the University's affirmative action and equal opportunity policies for staff to Director of Diversity and Employee Programs, University of California Office of the President, 300 Lakeside Drive, Oakland, CA 94612 and for faculty to Director of Academic Affirmative Action, University of California Office of the President, 1111 Franklin Street, Oakland, CA 94607.

Website address: [atyourservice.ucop.edu](http://atyourservice.ucop.edu)



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