

University of California



Scenario: For UCRP Members Who Terminate Their Marriage and QDRO Is Approved BEFORE Retirement

Events and their Effects On Member and Alternate Payee University of California Retirement Plan (UCRP)/CAP Accounts

Event	Member's Account	Alternate Payee's Account
<p>QDRO is approved by Plan and marriage has been terminated</p>	<p>If Member is Active, Inactive, or receiving Disability Income:</p> <ul style="list-style-type: none"> Member's account (UCRP service credit, contributions and interest, and any offset) is divided according to the QDRO. Capital Accumulation Provision (CAP) is divided according to the QDRO if the Alternate Payee was awarded a share. Member's account is flagged that QDRO processing has been completed. 	<p>If Member is Active, Inactive or receiving Disability Income:</p> <ul style="list-style-type: none"> A separate account is established for the Alternate Payee. UCRP service credit, contributions and interest, any offsets are divided according to the QDRO and posted to the Alternate Payee's account. CAP is divided according to the QDRO if the Alternate Payee was awarded a share. <p>If Member is not eligible to retire:</p> <p>The Alternate Payee may:</p> <ul style="list-style-type: none"> Elect to maintain the separate account from which retirement benefits may be paid when the Member is eligible to retire. The Alternate Payee may designate a beneficiary; <p>Or</p> <ul style="list-style-type: none"> Elect a refund of the contributions and interest in the Alternate Payee's separate account, thereby waiving all rights to future retirement benefits. <p>If Member is eligible to retire:</p> <p>Alternate Payee may, within 12 months:</p> <ul style="list-style-type: none"> Elect a lump sum cashout of the actuarial value of monthly retirement income (mandatory if cashout is less than \$20,000.00); <p>Or</p> <ul style="list-style-type: none"> Maintain the separate account until the Member elects to retire or dies. (A separate account will be maintained if the lump sum cashout is not elected within 12 months and it is more than \$20,000.00.) <p>The Alternate Payee may request a refund of their share of Member contributions and interest at any time, thereby waiving all rights to future retirement benefits.</p> <p>If Member is receiving Disability Income:</p> <p>Alternate Payee does not receive any portion of disability income but can elect one of the options detailed above. (Note: this provision does not apply to Duty Disability.)</p>
	<p>If Member is receiving Disability Income:</p> <p>Unreduced Disability Income is paid to Member. (Note: this provision does not apply to Duty Disability.)</p>	

Event	Member's Account	Alternate Payee's Account
Member becomes eligible to retire after QDRO is approved and marriage is terminated	<p>Member can elect retirement income or lump sum cashout at any time.</p> <ul style="list-style-type: none"> • Member's retirement income or lump sum cashout is based on reduced service credit. • Unreduced service credit is used to determine if Member has 5 years for vesting. • Unreduced service credit is used to determine Member's eligibility for retiree health and dental benefits. 	<p>If Alternate Payee has maintained the separate account:</p> <ul style="list-style-type: none"> • Elect a lump sum cashout of the actuarial value of monthly retirement income (mandatory if cashout is less than \$20,000.00); <p>Or</p> <ul style="list-style-type: none"> • Maintain the separate account. Benefits will be paid only when the Member elects retirement income, elects a lump sum cashout, or dies.
Member becomes disabled after approval of QDRO and marriage is terminated	<p>Unreduced Disability Income is paid to Member. (Note: this provision does not apply to Duty Disability.)</p>	<p>Alternate Payee receives no portion of Disability Income but can elect one of the options detailed above. (Note: this provision does not apply to Duty Disability.)</p>
Active, Inactive or Disabled Member elects retirement income or lump sum cashout	<ul style="list-style-type: none"> • Disability Income, if any, stops. • Unreduced service credit is used to determine if Member has 5 years for vesting. • Unreduced service credit is used to determine eligibility for retiree health and dental benefits. • Member's retirement income or lump sum cashout is based on reduced service credit. 	<p>If Alternate Payee has maintained the separate account:</p> <p>Within 60 days of notification, Alternate Payee must:</p> <ul style="list-style-type: none"> • Elect a lump sum cashout of the actuarial value of monthly retirement income (mandatory if cashout is less than \$20,000.00); <p>Or</p> <ul style="list-style-type: none"> • Elect monthly retirement income actuarially adjusted to be paid over the life of the Alternate Payee.
Member leaves University before age 50	<p>If Member has less than 5 years of service credit (including Alternate Payee's service credit):</p> <p>Member is required to receive a refund of UCRP contributions and interest.</p> <p>If Member has 5 or more years of service credit (including Alternate Payee's service credit):</p> <p>The Member can:</p> <ul style="list-style-type: none"> • Elect Inactive UCRP Membership; <p>Or</p> <ul style="list-style-type: none"> • Request a refund of contributions and interest, thereby waiving all rights to future retirement benefits. 	<p>If Alternate Payee has maintained the separate account and Member has less than 5 years of service credit (including Alternate Payee's service credit):</p> <p>Alternate Payee is required to receive a refund of the UCRP contributions and interest in this account, if any.</p> <p>If Alternate Payee has maintained the separate account and Member has 5 or more years of service credit (including Alternate Payee's service credit):</p> <p>The Alternate Payee may:</p> <ul style="list-style-type: none"> • Maintain a separate account. A lump sum cashout will be paid when the Member reaches age 50; <p>Or</p> <ul style="list-style-type: none"> • Request a refund of UCRP contributions and interest, thereby waiving all rights to future retirement benefits.

Event	Member's Account	Alternate Payee's Account
Member dies before reaching age 50	<p>If Member is Inactive: A refund of Member's accumulations is paid to Member's beneficiary or estate.</p> <p>If Member is Active or Disabled:</p> <ul style="list-style-type: none"> • Preretirement survivor income is paid to eligible survivors, if any; <p>Or</p> <ul style="list-style-type: none"> • If no eligible survivors, a refund of UCRP contributions and interest is paid to Member's beneficiary. 	<p>If Member has less than 5 years of service credit (including Alternate Payee's service credit) the Alternate Payee is required to receive a refund of UCRP contributions and interest in this account, if any.</p> <p>If Member has at least 5 years of service credit (including Alternate Payee's service credit) the Alternate Payee may:</p> <ul style="list-style-type: none"> • Maintain the separate account until the date the Member would have reached age 50. A lump sum cashout will be paid to the Alternate Payee within 12 months after the date of notification. <p>Or</p> <ul style="list-style-type: none"> • Elect a refund of UCRP contributions and interest, thereby waiving all rights to future retirement benefits.
Member dies after age 50 but before retiring	<p>If Member has at least 2 years but less than 5 years of service credit:</p> <ul style="list-style-type: none"> • Preretirement survivor income is paid to eligible survivor, if any; • Refund of UCRP contributions and interest is paid to Member's beneficiary if no eligible survivors. <p>If Active or Disabled Member has 5 years or more of service credit:</p> <ul style="list-style-type: none"> • Preretirement survivor income is paid to eligible survivor, if any; • "Death while eligible to retire" benefit is paid to surviving spouse, if any; • If there is no surviving spouse and no one is eligible for survivor income, refund of contributions and interest is paid to Member's beneficiary. <p>If Inactive Member with 5 years or more of service credit:</p> <ul style="list-style-type: none"> • "Death while eligible to retire" benefit is paid to surviving spouse, if any; or • Refund of contributions and interest is paid to Member's beneficiary. 	<p>If Member has less than 5 years of service credit (including Alternate Payee's service credit), the Alternate Payee is required to receive a refund of UCRP contributions and interest in this account, if any.</p> <p>If Member was eligible to retire and the Alternate Payee has maintained the separate account:</p> <p>Alternate Payee must, within 60 days:</p> <ul style="list-style-type: none"> • Request a lump sum cashout; <p>Or</p> <ul style="list-style-type: none"> • Elect monthly retirement income, paid for the lifetime of the Alternate Payee. <p>Either option is calculated as if the Member had elected to retire as of the date of death.</p>

Event	Member's Account	Alternate Payee's Account
Retired Member dies first	<ul style="list-style-type: none"> • Postretirement survivor continuance is paid to eligible survivors, if any. • Option portion is paid to contingent annuitant, if any. • If no one is eligible for survivor continuance or option portion, a refund of accumulations, if any, is paid to Member's beneficiary or estate. • Postretirement death benefit is paid to Member's beneficiary or estate. 	<ul style="list-style-type: none"> • If Alternate Payee elected monthly retirement income, the monthly income will continue until the death of the Alternate Payee. • If the Alternate Payee was designated as the Member's contingent annuitant, the option portion will be paid.
Alternate Payee dies first	Retirement income continues.	<p>If Alternate Payee had not elected the lump sum cashout or monthly retirement income, the Alternate Payee's share of Member contributions and interest, if any, are paid to the Alternate Payee's beneficiary or estate.</p> <p>If Alternate Payee had elected monthly retirement income,</p> <ul style="list-style-type: none"> • Monthly retirement income stops. • The remaining share of Alternate Payee's Member contributions and interest, if any, is paid to Alternate Payee's beneficiary or estate.

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