



The University of Chicago
Benefits Office
6054 South Drexel Avenue
Chicago, IL 60637

Re: 12/31/2023 Annual Funding Notice for The University of Chicago Defined Benefit Plans

Dear Plan Participant,

Enclosed is the Annual Funding Notice for The University of Chicago Defined Benefit Plans which reports on the funding status of the Plan for 2023 and two prior years. **You do not need to take any action as a result of receiving the attached notice.** It has been sent to you for informational purposes only, to comply with federal law.

Right to Request a Statement of Accrued Benefit

As a participant in the Plan, you can access your current accrued benefit and see estimates of benefit amounts at alternate dates using the modeling tool at www.eepoint.com/uofc. You may access the modeling tool as often as you wish.

Alternatively, you have the right to receive, free of charge, a pension benefit statement showing your current accrued benefit only. If you would like a copy of your pension benefit statement, please contact The University of Chicago Benefits Office at 773-702-9634. You may request a paper copy benefit statement once each year.

Your Contact Information

To make sure you receive your benefits and any benefit communications pertaining to the Plan, it is critical that you keep your contact information current. If you move after you terminate employment, please update your address information through our self-service website by visiting www.eepoint.com/uofc or by calling us 773-702-9634. You must also keep us apprised of any changes to the following information:

- your name and address;
- your beneficiary's name and address; and
- any other contact information maintained by the plan.

Keeping this information up-to-date will ensure that you (or your beneficiary) receive your benefit payments as well as any important plan communications without undue delay.

If you have any questions regarding your retirement benefits, please contact The University of Chicago Benefits Office at 773-702-9634, (Monday-Friday, 8 a.m. - 5 p.m. Central Time). To learn more about the personal information we collect and how it is used, you can find our privacy policy at <https://eepoint.wtwco.us/ess/uofc/>.

If you need additional information, please consult with the attached notice for the appropriate contact.

Sincerely,

The University of Chicago Benefits Office

ANNUAL FUNDING NOTICE

For

The University of Chicago Retirement Income Plan for Employees

Introduction

This notice includes important information about the funding status of your single employer pension plan (“the Plan”). All traditional pension plans (called “defined benefit pension plans”) must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning January 1, 2023 and ending December 31, 2023 (“Plan Year”).

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the “funding target attainment percentage.” The Plan divides its Net Plan Assets by Plan Liabilities to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan’s Funding Target Attainment Percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also shows you how the percentage was calculated.

All monetary amounts shown in US Dollars

Funding Target Attainment Percentage			
	2023	2022	2021
1. Valuation Date	01/01/2023	01/01/2022	01/01/2021
2. Plan Assets			
a. Total Plan Assets	370,917,756	433,454,546	405,662,863
b. Funding Standard Carryover Balance	0	0	0
c. Prefunding Balance	0	0	0
d. Net Plan Assets = (a) – (b) – (c)	370,917,756	433,454,546	405,662,863
3. Plan Liabilities	387,682,005	409,908,698	420,249,419
4. Funding Target Attainment Percentage = (2d)/(3)	95.67%	105.74%	96.52%

Plan Liabilities

Plan Liabilities in line 3 of the chart above are estimates of the amount of assets the Plan needs on the Valuation Date to pay for promised benefits under the plan.

Year-End Assets and Liabilities

The asset values in the chart above are measured as of the first day of the Plan Year. They also are “actuarial values.” Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan’s funded status at a given point in time. As of December 31, 2023, the fair market value of the Plan’s assets was \$341,754,964. On this same date, the Plan’s liabilities, determined using market rates, were \$366,989,234.

Supplemental Information

This is a temporary supplement to your annual funding notice. It is required by the Moving Ahead for Progress in the 21st Century Act (MAP-21), the Highway and Transportation Funding Act of 2014 (HATFA), the Bipartisan Budget Act of 2015 (BBA15) and the American Rescue Plan Act of 2021 (ARPA). These federal laws changed how pension plans calculate their liabilities. The purpose of this supplement is to show you the effect of these changes. Prior to 2012, pension plans determined their liabilities using a two-year average of interest rates. Now pension plans also must take into account a 25-year average of interest rates. This means that interest rates likely will be higher and plan liabilities lower than they were under prior law. As a result, your employer may contribute less money to the plan at a time when market interest rates are at or near historical lows.

The “Information Table” compares the effect of using interest rates based on the 25-year average (the “adjusted interest rates”) and interest rates based on a two-year average on the Plan’s: (1) Funding Target Attainment Percentage, (2) Funding Shortfall, and (3) Minimum Required Contribution. The funding target attainment percentage of a plan is a measure of how well the plan is funded on a particular date. The funding shortfall is the amount by which liabilities exceed net plan assets. The minimum required contribution is the amount of money an employer is required by law to contribute to a plan for a given year. The following table shows this information determined with and without the adjusted interest rates. The information is provided for the Plan Year and for each of the two preceding plan years, if applicable.

All monetary amounts shown in US Dollars

INFORMATION TABLE						
	2023		2022		2021	
	With Adjusted Interest Rates	Without Adjusted Interest Rates	With Adjusted Interest Rates	Without Adjusted Interest Rates	With Adjusted Interest Rates	Without Adjusted Interest Rates
Funding Target Attainment Percentage	95.67%	80.40%	105.74%	82.18%	96.52%	80.12%
Funding Shortfall	16,764,249	90,403,930	0	93,975,072	14,586,556	100,622,624
Minimum Required Contribution	1,535,282	7,301,916	0	7,401,943	1,360,073	8,307,077

Participant Information

The total number of participants in the plan as of the beginning of the plan year is as follows:

	2023	2022	2021
Active participants	2,830	3,026	3,279
Retired or separated from service and receiving benefits	1,915	1,962	1,940
Retired or separated from service and entitled to future benefits	5,562	5,668	5,785
Total Participants	10,307	10,656	11,004

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The plan sponsor's funding policy is to make the minimum required contribution and determine from time to time whether to make additional contributions. We understand the sponsor may deviate from this policy based on cash, tax or other considerations.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions.

Under the investment policy, the Plan's assets were allocated among the following categories of investments as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
1. Stocks	38.8%
2. Investment grade debt instruments	59.2%
3. High-yield debt instruments	0.0%
4. Real estate	0.0%
5. Other	2.0%

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1515, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefits. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator is identified below under "Where to Get More Information."

Where to Get More Information

Your plan is sponsored by The University of Chicago. If you would like more information about the funding of your plan, contact the plan administrator:

University

Benefits Office
The University of Chicago
6054 South Drexel Avenue
Chicago, IL 60637
773-702-9634 (Phone)
773-834-0996 (Fax)
benefits@uchicago.edu (E-mail)
hr.uchicago.edu (Web site)

Medical Center

Pension Service Center
The University of Chicago Medicine
P.O. Box 981911
El Paso, TX 79998
1-844-368-1919 (Phone)
www.eepoint.com/uofc (Web site)

For identification purposes, the official plan number is 002 and the plan sponsor's name and employer identification number or "EIN" is The University of Chicago and 36-2177139.