



BROWN

University Human Resources
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TO: All Faculty, Staff, and members of the Dining Services, Facilities Management, Public Safety, and Library Bargaining Units

FROM: Drew Murphy, Director of Benefits 

DATE: December 13, 2017

RE: **SUMMARY ANNUAL REPORTS FOR PLAN YEAR 2016**

BACKGROUND

This is a summary of the health, welfare, pension and 403(b) retirement plans of Brown University, Employer Identification Number 05-0258809, **for plan year 2016** (January 1, 2016 through December 31, 2016). An annual report for each plan has been/will be filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

HEALTH AND WELFARE PLANS

The Health and Welfare Plan is a consolidated plan and provides for coverage for Health, Dental, Vision, Life, AD&D, Long Term Disability and various voluntary benefit programs. Many of the coverage lines are self-insured by the university and are therefore not included in the Annual Report.

The fully-insured programs that are detailed in the Annual Report include ACE American Insurance Company and Lincoln National Life Insurance Company to pay Business Travel & Accident, Vision, Life Insurance, Accidental Death and Dismemberment, and Long-term Disability claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2016 were \$2,599,672.

RETIREMENT PLANS

BROWN UNIVERSITY DINING SERVICES AND FACILITIES MANAGEMENT EMPLOYEES PENSION PLAN

(for the period July 1, 2015, through June 30, 2016)

A separate *Annual Funding Notice* has already been sent to all plan participants.

BROWN UNIVERSITY DEFERRED VESTING RETIREMENT PLAN

(for eligible faculty and staff hired on or after March 1, 2001)

Benefits under the plan are provided by insurance and a trust fund. Plan expenses were \$6,211,489. These expenses included \$26,720 in administrative expenses, and \$6,184,769 in benefits paid to participants and beneficiaries. A total of 8,622 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$291,736,812 as of December 31, 2016, compared to \$244,411,158 as of January 01, 2016. During the plan year the plan experienced an increase in its net assets of \$47,325,654. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$53,537,143, including employer contributions of \$13,908,956, employee contributions of \$15,564,024, other contributions of \$5,384,210, earnings from investments of \$18,653,521, and other income of \$26,432.

BROWN UNIVERSITY LEGACY RETIRMENT PLAN

(for eligible faculty and staff hired prior to March 1, 2001, members of the Security Patrolpersons Bargaining Unit hired on or before July 20, 2001, and Members of the Library USAW-RI Bargaining Unit)

Benefits under the plan are provided by insurance and a trust fund. Plan expenses were \$55,467,488. These expenses included \$102,913 in administrative expenses, and \$55,364,575 in benefits paid to participants and beneficiaries. A total of 5,918 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$1,113,459,046 as of December 31, 2016, compared to \$1,075,049,137 as of January 01, 2016. During the plan year the plan experienced an increase in its net assets of \$38,409,909. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$93,877,397, including employer contributions of \$11,409,711, employee contributions of \$11,800,236, other contributions of \$4,711,762, earnings from investments of \$65,912,120, and other income of \$43,568.

YOUR RIGHTS TO ADDITIONAL INFORMATION

You have the right to receive a copy of the full annual report, or any part thereof, on request. To obtain such a copy, or any part thereof, direct your written request to or call the Office of the Plan Administrator: Director of Benefits, University Human Resources, Brown University, Box 1879, Providence, RI 02912, (401) 863-2141.

You also have the legally protected right to examine the Annual Report at the Benefits Office and at the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in Washington, D.C. or to obtain a copy from the EBSA upon payment of copying costs. Requests to the Department of Labor should be addressed to Public Disclosure Room, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.