

PERA Defined Benefit (DB) Retirement Plan

Employee Guide

The university philosophy is to do as much as it can to assure the financial well-being of its employees in retirement. CU helps you save for retirement by enrolling each qualifying employee in a mandatory retirement plan. For more information visit the [PERA Defined Benefit Plan website](#). CU contributes generously to each mandatory plan and provides you with the opportunity to increase your retirement savings with voluntary plan options. For more information on voluntary plans visit [CU Voluntary Plans website](#).

This guide can help you navigate your Public Employer's Retirement Association (PERA) Defined Benefit (DB) mandatory retirement plan.

**If you are unsure which mandatory plan you're eligible for, or already enrolled in, please see the [CU Mandatory Retirement Plan Placement Guide for Faculty and University Staff](#) or the [CU Mandatory Retirement Plan Placement Guide for Classified Staff](#).*

PERA Defined Benefit (DB) Mandatory Retirement Plan

The PERA Defined Benefit (DB) plan is a pension retirement plan that offers a lifetime retirement benefit, meaning benefits will continue for life regardless of how much was paid in. The monthly distribution amount of each employee's pension benefit is based on that employee's highest average salary, age at retirement, and number of PERA years of service.

PERA serves as a substitute for Social Security. This plan is designed to attract and retain employees who are interested in working in PERA-covered positions for a large part of their careers.

See the [PERA Defined Benefit Plan Summary of Benefits brochure](#) for more information.

Placement

If you are Classified Staff: The PERA DB Plan may be offered to newly hired/newly eligible Classified Staff if they meet the eligibility requirements for the [PERA Classified options under CU's PERAChoice](#). To verify your eligibility please see the [Classified Staff Mandatory Retirement Plan Placement Guide](#).

If you are Faculty or University Staff: If you join the University of Colorado and have a PERA Defined Benefit (DB) Plan through a prior employer, you are eligible for CU PERAChoice. This one-time, irrevocable choice allows you to continue with the PERA (DB) Plan or choose the University Retirement Plans (URP). CU will mail you a letter detailing how to elect a plan, and if the election is not made within the stated deadline (30 days from event date), employee is defaulted into the PERA DB Plan. Please see the [Mandatory Retirement Plan Placement Guide for Faculty and University Staff](#).

Enrollment

If you are Classified Staff: If you meet the criteria to be enrolled under this plan, you will be automatically enrolled. If you have a choice between two plans through the CU Classified Options, you will be enrolled when we receive your election form. If the election form is not received, you will be automatically enrolled in the default plan stated in your letter. Please see the [Classified Staff Mandatory Retirement Plan Placement Guide](#).

If you are Faculty or University Staff: If you have a choice between the PERA DB Plan and the University Retirement Plans (URP), you will be enrolled when we receive your CU PERA Choice form. If the election form is not received within the stated deadline, you will be automatically enrolled in the PERA DB Plan.

Contributions

Your contributions will be effective as of the date of hire and will be made via automatic payroll deductions. If contributions are not taken on the first month of employment due to payroll timing, adjustments will be made the following payroll cycle to fulfill your required contribution. You may access your account, name beneficiaries and learn more on the [PERA website](#) at www.copera.org.

Plan Features

Plan Feature	Plan Detail
Plan type	Defined Benefit Plan (commonly called a pension plan)
Employee contributions	<p>11% of PERA includable salary (gross income less any IRS Section 125 plan deductions, based upon your PERA membership).</p> <p>Employee contributions are not subject to Social Security taxes, and they are tax-deferred, which means they are not considered taxable income for federal and state income tax purposes until they are withdrawn.</p>
Employer contributions	<p>In 2025, 11.61% of gross salary to employee's account with an additional DC Supplemental adjusted increase of 0.02%, totaling 11.63%.</p> <p>The university will also contribute 5.0% to PERA AED, plus 5.0% PERA Supplemental AED, which equals 21.63% of an employee's PERA-includable salary for 2025.</p>
Salary limitation	The annual compensation limit that can be considered for contributions is \$350,000 for calendar year 2025.
Vesting	Employee contributions are always 100% vested. Employer contributions are vested upon completion of five (5) PERA years of service.
Investments	A staff of investment professionals, under the direction of the PERA Board of Trustees, has the responsibility for the investment of PERA's funds.

*These are additional contributions remitted by employers. See [Colorado PERA Contributions Rates website](#) for more information.

Investments

PERA invests members' contributions on their behalf; therefore, investment advice does not apply to the PERA DB Plan.

Financial Guidance

TIAA: All CU employees have access to personalized, no cost, general financial guidance with licensed financial planners from TIAA. Please call 1-800-732-8353 or visit the [TIAA website](#) to schedule an appointment.

Distributions/Withdrawals

Under the PERA Defined Benefit (DB) Plan, the only time that members can withdraw funds is when they terminate all PERA-covered employment with the university.

In-service distribution (while working)

- No in-service distributions are allowed for CU employees who are in a PERA mandatory plan.

Loans and hardship withdrawals

- No loans or hardship withdrawals are allowed under the PERA mandatory plans.

Leaving CU

- Distributions are allowed when employee terminates employment with the university.
- The employee has the option to:
 - have their PERA mandatory plan account remain at PERA
 - request a refund - refunds may be subject to taxes and penalties
 - request a rollover of their accumulated funds to another retirement account

Qualified Domestic Relations Order (QDRO)

The term "QDRO" refers to a court order that is made under a state's domestic relation law or community property law, which may involve assigning all or a portion of an employee's university retirement plan account accumulations to an alternate payee. Alternate payees are typically the employee's spouse or ex-spouse but may be another person such as a child or other dependent. A QDRO may also name more than one alternate payee.

For more information, please contact PERA by visiting the [PERA website](http://www.copera.org) at www.copera.org or by calling 1-800-759-7372.

How to Request a Distribution or Rollover

How to request a refund/rollover when terminating employment:

1. If you elect to have the PERA DB account refunded or rolled over, you will need to complete the PERA Refund/Rollover Request Form, which can be found at www.copera.org. After completing the member sections, the form must be submitted directly to PERA.
2. You must notify Employee Services Retirement that the form has been submitted to PERA. The university will verify your termination date and the last contribution submitted to PERA. The PERA Termination Certification will be submitted electronically to PERA.

For more information, please contact PERA by visiting the [PERA website](http://www.copera.org) or by calling 1-800-759-7372.

Contact Information

Plan Service Provider: PERA

Plan: PERA Defined Benefit Mandatory Plan

Phone Number: 1-800-759-7372

Web Address: www.copera.org

By Mail or In Person: University of Colorado
Employee Services-Retirement
1800 Grant Street, Suite 400
Denver, CO 80203-1187

By Phone or Fax: Phone: 303-860-4200, option 3 Fax: 303-860-4299 (Attn: ES Retirement)

Definitions

CU PERA CHOICE for Faculty and University Staff

When a Faculty or University Staff employee comes to the university and has a PERA Defined Benefit (DB) Plan through prior employment, the employee may be eligible for CU's PERAChoice. This one-time, irrevocable choice allows the employee to continue with his/her PERA (DB) Plan or choose the University Retirement Plans (URP), which includes the CU 401(a) Mandatory Plan and/or the CU 403(b) Voluntary Plan.

This one-time irrevocable CU PERA Choice remains in effect, even if the employee leaves the university and returns to another position.

- The employee will receive a CU PERA Choice letter detailing how to elect a plan and the employee will have 30 days to make their election.
- If the election is not made within 30 days, employee will be defaulted into the PERA (DB) Plan.
- Whether the employee chooses to remain in the PERA DB Plan or **elects the University Retirement Plans (URP), the employee will remain in that plan throughout their CU career.**

PERA Classified Option for Classified Staff Members

PERA Classified Option is the option some CU Classified Staff must choose between the PERA Defined Benefit Plan and the PERA Defined Contribution Plan through the PERA's PERAChoice. See the [PERAChoice Comparison Plan brochure](#) from PERA.

Leaving CU

Refers to termination of employment. This includes resignations, retirement, disability or by cause.

Resources

[CU Benefits Eligibility Matrix](#)

[Classified Staff Mandatory Retirement Plan Placement Guide](#)

[Faculty and University Staff Retirement Plan Placement Guide](#)

[What is the difference between a Defined Benefit Plan and a Defined Contribution Plan? website](#)

[CU Voluntary Retirement Plans website](#)

[PERA website](#)

[PERA Defined Benefit Plan Summary of Benefits Brochure](#)

[PERA DC Plan website](#)