



University of Colorado

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EMPLOYEE SERVICES

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[Home](#) > Retirement

Retirement for Former CU Employees ^[1]

Mandatory Plans

Pension/Savings - Mandatory

The University of Colorado offers three mandatory pension/savings plans to eligible employees. Each of the plans has distinct eligibility requirements.

- University of Colorado 401(a) Retirement Plan
- Public Employees' Retirement Association (PERA)
- Student Employee Retirement Plan (SERP)

PERA ^[2] MEMBERS ONLY ^[2] ? Members appointed into a position that is eligible for the University of Colorado 401(a) Retirement Plan and/or the University of Colorado 403(b) plans (collectively, the University Pension/Savings Plans) are required to make a one-time, irrevocable election to either participate in PERA or the University Pension/Savings Plans. Except in certain cases where you are no longer a PERA member upon being rehired by the university, this election will remain in effect throughout your career with the University of Colorado as long as you are employed or rehired in a faculty, officer or university staff appointment. If you elect to participate in PERA, you may still participate in the university's voluntary 403(b) plan. Employee Services will send you an election form with your deadline for election clearly stated. If your election form is not received by the deadline shown, you will be deemed to have irrevocably elected to participate with PERA.

University of Colorado 401(a) Retirement Plan

The CU 401(a) Retirement Plan is a qualified defined contribution plan under section 401(a) of the Internal Revenue Code. Individual accounts are set up for participants and benefits are based on the contributions credited to these accounts plus any investment earnings on the money in the account. Upon retirement, the member's account is used to provide retirement income. Investment risk and investment rewards are assumed by each individual/employee/retiree and not by the sponsor/employer.

University of Colorado 401(a) Retirement Plan

- [CU 401\(a\) Retirement Plan Agreement](#) ^[3]
 - [Amendment 1](#) ^[4]
 - [Amendment 2](#) ^[5]
 - [Amendment 3](#) ^[6]
 - [Amendment 4](#) ^[7]
 - [Amendment 5](#) ^[8]

ELIGIBILITY AND EFFECTIVE DATES

Review the [benefits eligibility matrix](#) ^[9], which outlines your eligibility. If you are a non-resident alien, certain restrictions apply.

- Immediate Participation ? enrollment begins automatically on the first day of the month following your date of eligibility.
- One-Year Wait ? enrollment begins automatically on the first day of the month following one year of employment in a CU 401(a) Retirement Plan-eligible position.

Exception: if you participated in a mandatory institutional retirement plan through a previous eligible employer, you will begin participation in the CU 401(a) Retirement Plan on the first day of the month following the later of a) the date of your eligibility or b) the date you provide the university with proof of your participation in a mandatory institutional retirement plan through a previous "eligible employer₁" ^[10]. No retroactive enrollment is allowed.

- Previous participation in the university's 401(a) Retirement Plan or Student Retirement Plan, or with PERA while employed at the university, requires immediate participation in the CU 401(a) Retirement Plan.

CONTRIBUTIONS

Active Employees

- Employee contributes five percent of gross compensation.
- The university contributes ten percent of gross compensation.
- You are immediately vested at 100% in your CU 401(a) Retirement Plan.

Phased Retirement

- Contributions are subject to your specific agreement.
- Review the [Faculty Retirement Agreements](#) ^[11] for details.

Disability Retirement

- Must be approved for disability benefits under the university's Long-Term Disability (LTD) Insurance Plan
- The university will contribute 15 percent of your monthly wage base (as defined in the LTD plan documents) to an individual TIAA-CREF retirement annuity account.

ENROLLMENT

In order to direct your contributions to the investment company and fund elections of your choice, the following forms are required:

- Retirement Enrollment/Change Form
- Fund Sponsor Application(s)

Completed forms received by the 10th of the month:

- Investment elections will be reflected on your end of month pay.

Completed forms received after the 10th of the month:

- Contributions will be defaulted into a Lifecycle Fund based upon your projected year of retirement.
- Investment elections will be reflected on your next month's pay.
- You may reallocate your defaulted funds into your elected investment options.

Failure to provide the necessary forms will require your contributions to be defaulted into a TIAA-CREF Lifecycle Fund based upon your projected year of retirement.

The university is not obligated to repay any lost earnings.

FUND SPONSORS AND INVESTMENTS

- You may elect to have your retirement contributions dispersed to any one, two or all three of the fund sponsors (Fidelity, TIAA-CREF, and Vanguard).
- You may change your fund election allocations at any time by contacting your fund sponsor directly.
- Any changes to your personal information (name, phone, address, etc) must also be requested through your fund sponsor.
- Review the [Pension/Savings Plan Fact Sheet](#) ^[12] for fund sponsor contact information.

"Eligible employer" is defined as any educational organization, or teaching institution as defined in Internal Revenue Code Section 1 70(b)(1)(A)(ii) or any nonprofit research organization. Contact your previous employer to determine if they qualify.

Public Employees' Retirement Association (PERA)

PERA provides retirement and other benefits via a modified defined benefit plan. A defined benefit plan is a pension plan which promises a monthly benefit upon retirement which is predetermined by a formula based on the employee's earnings history, tenure of service, and age, rather than depending on investment returns. PERA members will not pay into Social Security but will still pay Medicare tax.

Contact [PERA](#) ^[13] directly for information and details on your PERA benefits, including vesting, disability benefits, and distributions. [PERA contribution chart](#) ^[14] (with 2010 legislation changes).

ELIGIBILITY AND EFFECTIVE DATES

- PERA is mandatory for all Classified Staff.
- Faculty, officers and university staff who are existing PERA members and appointed into a position which is eligible for the University of Colorado 401(a) Optional Retirement Plan and/or the University of Colorado 403(b) plans (collectively, the University Retirement Plans), are required to make a one-time, irrevocable election to either participate in PERA or the University Retirement Plans.
 - Employee Services will send you an election form with your deadline for election clearly stated. If your election form is not received by the deadline shown, you will be deemed to have irrevocably elected to participate with PERA.
 - Except in certain cases where you are no longer a PERA member upon being rehired by the university, this election will remain in effect throughout your career with the University of Colorado as long as you are employed or rehired in a faculty, officer or university staff appointment.
 - If you elect to participate in PERA, you may still participate in the university's voluntary 403(b) plan.

CONTRIBUTIONS

| START DATE | EMPLOYEE CONTRIBUTION | EMPLOYER CONTRIBUTIONS | | | |
|------------|-----------------------|------------------------|-------|-------|--------|
| | | EMPLOYER-PAID PERA | AED | SAED | TOTAL |
| 1/1/09 | 8.00% | 10.15% | 1.80% | 1.00% | 12.95% |
| 1/1/10 | 8.00% | 10.15% | 2.20% | 1.50% | 13.85% |
| 7/1/10 | 10.50% | 7.65% | 2.20% | 1.50% | 11.35% |
| 1/1/11 | 10.50% | 7.65% | 2.60% | 2.00% | 12.25% |
| 7/1/11 | 10.50% | 7.65% | 2.60% | 2.00% | 12.25% |
| 1/1/12 | 10.50% | 7.65% | 3.00% | 2.50% | 13.15% |

| | | | | | |
|--------|-------|--------|-------|-------|--------|
| 7/1/12 | 8.00% | 10.15% | 3.00% | 2.50% | 15.65% |
|--------|-------|--------|-------|-------|--------|

Student Employee Retirement Plan

Review the [Student Retirement Fact Sheet](#) [15] and the [Student Retirement Plan Policy](#) [16] for detailed information on the Student Retirement Plan.

ELIGIBILITY AND EFFECTIVE DATES

- FALL, SPRING, AND SUMMER SEMESTERS ? As an undergraduate student employee you are required to participate in the Student Retirement Plan if you are enrolled in <6 credit hours. Graduate students enrolled in <3 credit hours are required to participate.
- Participation is required for students not enrolled during the summer semester, but who were enrolled in courses during the spring semester and will be enrolled in the fall semester.
- Regardless if you are an undergraduate or graduate student, if you consistently work 40 hours per week in any given semester, regardless of the number of enrolled credit hours, you are required to participate.
- Once your eligibility for participation in Student Retirement has been established, your participation will be required for the remainder of the current semester. Eligibility will be evaluated each semester.

CONTRIBUTIONS

- You will contribute 7.5% of your gross earnings.
- Contributions are invested in [TIAA-CREF](#) [17] according to your investment fund selections.
- Contributions are made into the Student Retirement Plan as an alternative to [Social Security](#) [18].

Voluntary Plans

Pension/Savings - Voluntary

The University of Colorado has three voluntary pension/savings plans available to most employees; review the [benefits eligibility matrix](#) [9] to determine your eligibility. The voluntary pension/savings plans are defined contribution plans of an individual account which you set up to set aside money on a pre-tax basis through a salary reduction agreement with the university. Your benefits are based on the contributions credited to these accounts plus or minus investment gains or losses. Investment risk and investment rewards are assumed by each individual/employee/retiree and not by the sponsor/employer.

Learn more about [CU's 403\(b\) plans](#) [19].

| | | | |
|--|--------------------------------|--------------------|--|
| | University 403(b) Plans | PERA 401(k) | |
|--|--------------------------------|--------------------|--|

| | | | |
|---|---|--|---|
| Enrollment or Changes to Enrollment | 403(b) Salary Reduction Agreement Form [20] and a 403(b) Fund Sponsor Application for each investment company newly elected | PERA 401(k) Contribution Authorization Form [21] | 457 Plan Enrollment Form submitted to the administrator by the 15th of the month for the next month's contribution. |
| Deadline for Enrollment or Changes | Forms must be received by Employee Services no later than 5 p.m. on the 10th of the month to change end of month contribution. | Forms must be received by Employee Services no later than 5 p.m. on the 10th of the month to change end of month contribution. | Enrollment changes must be received by the administrator by the 25th of the month to affect next month's contribution. |
| Minimum Contribution | | no minimum | \$25 or 1% of compensation |
| 2013 Calendar Year Limit | \$17,500 | \$17,500 | \$17,500 |
| 2013 Age 50+ Catch-up Provisions | \$5,500 | \$5,500 | \$5,500 |
| Additional Catch-up Provisions | 15 year catch-up provision for employees with 15+ years of university service. May contribute up to \$3,000 for five years (or \$15,000 for a lifetime maximum) if you have not contributed in prior years. | N/A | For the three years prior to retirement, you are able to contribute the available amount under contribution years. |
| Loan Provisions | Contact your plan administrator | Yes, contact your plan administrator. | Yes; contact your administrator. |
| Qualifying Distribution Events | retirement, severance of employment, disability, attainment of age 59½, or financial hardship. | retirement, severance of employment, disability, attainment of age 59½, or financial hardship | retirement, severance of employment, disability, attainment of age 59½, or financial hardship, or unforeseen circumstances. |
| Early Withdrawal Penalties Before Age 59½ | yes | yes | no |
| Plan Administrator Contact Information | University 403(b) Plan Administrator information | PERA of Colorado 401(k) Plan | PERA of Colorado 401(k) Plan |

Download the retiree cost sheet [23], which includes medical, dental, vision, life insurance, and disability.

Source URL: <http://www.cu.edu/employee-services/retirement-former-cu-employees>

Links:

[1] <http://www.cu.edu/employee-services/retirement-former-cu-employees>

[2] <https://www.copera.org>

[3] <http://www.cu.edu/sites/default/files/cu-401a-plan-agreement.pdf>

[4] <http://www.cu.edu/sites/default/files/401a-amendment-1.pdf>

[5] <http://www.cu.edu/sites/default/files/401a-amendment-2.pdf>

- [6] <http://www.cu.edu/sites/default/files/401a-amendment-3.pdf>
- [7] <http://www.cu.edu/sites/default/files/401a-amendment-4.pdf>
- [8] <http://www.cu.edu/sites/default/files/401a-amendment-5.pdf>
- [9] <http://www.cu.edu/employee-services/policies/benefit-eligibility-matrix>
- [10] <http://www.cu.edu/pbs/benefits/plans/pension-savings-mandatory.html#01>
- [11] <http://www.cu.edu/sites/default/files/faculty-retirement-agreements.pdf>
- [12] <http://www.cu.edu/sites/default/files/attachments/Ret-Pension-SavPlan-Fact.pdf>
- [13] <https://www.copera.org/>
- [14] <http://www.cu.edu/sites/default/files/pera-rates.pdf>
- [15] <http://www.cu.edu/sites/default/files/student-retirement-facts.pdf>
- [16] <http://www.cu.edu/ope/efficiency-and-effectiveness/presidents-task-force-efficiency/aps-5011-student-retirement-plan>
- [17] <https://www.tiaa-cref.org/public/index.html>
- [18] <http://www.socialsecurity.gov/>
- [19] <http://www.cu.edu/sites/default/files/cu-403b-plan-agreement.pdf>
- [20] <http://www.cu.edu/pbs/forms/downloads/403b-Salary-Reduction-Agreement.pdf>
- [21] <http://www.cu.edu/sites/default/files/pera401k-change.pdf>
- [22] https://copera401k.ingplans.com/einfo/pdfs/forms/corado/650303/enrol_457.pdf
- [23] <http://www.cu.edu/sites/default/files/ret-rates.pdf>