

Benefits: CU Mandatory Retirement Plan Placement Guide

This document contains an overview of CU mandatory retirement plans and new employee/newly eligible placement guidelines.

Overview of CU Retirement Plans

The University of Colorado wants to ensure all employees meet their retirement goals.

That is why CU offers generous contributions to the mandatory retirement plans of [eligible employees](#). In addition, the university offers most employees access to three voluntary retirement plans to bolster their retirement savings.

This guide will provide details on mandatory plans offered by CU, plan features and how employees are placed in their eligible plans.

Retirement Plans	Eligibility Job Code	Plan Administrator
University Retirement Plans (URP)		
University of Colorado 401(a) – Mandatory Plan	*Eligible Positions Only	TIAA
University of Colorado 403(b) – Voluntary Plan	All Employees	TIAA
PERA Plans		
PERA Defined Benefit (DB) – Mandatory Plan	*Eligible Positions Only	PERA
PERA Defined Contribution (DC) – Mandatory Plan (new hire/newly eligible 1/1/19 or later may be eligible)	*Eligible Positions Only	PERA
PERA 401(k) – Voluntary Plan	All Employees	PERA/Voya
PERA 457 – Voluntary Plan	All Employees	PERA/Voya

*Benefits Eligibility Matrix—details job codes and classifications and their corresponding eligible benefits.

CU Mandatory Retirement Plan Placement Guidelines

When you are hired by the university, you are placed into a mandatory plan based on your job classification/eligibility and your PERA history. Please follow the guidelines below, beginning with your job classification, to determine what plan you may be eligible for.

Faculty and University Staff (non-classified position)

Are you in an eligible position?

If you are Faculty or University Staff, you will need to understand if your position is an [eligible position](#). Eligible positions must be:

- A regular, non-temporary, eligible job code
- A 50 percent or greater appointment, as a combination of all your eligible appointments

[Check the Benefits Eligibility Matrix](#)

Do you have a PERA Defined Benefit (DB) Plan?

NO

If you come to the university and do not have PERA Defined Benefit (DB) Plan and you are in a 50 percent or greater, non-temporary, [eligible position](#), you will participate in the University of Colorado 401(a) – Mandatory Plan.

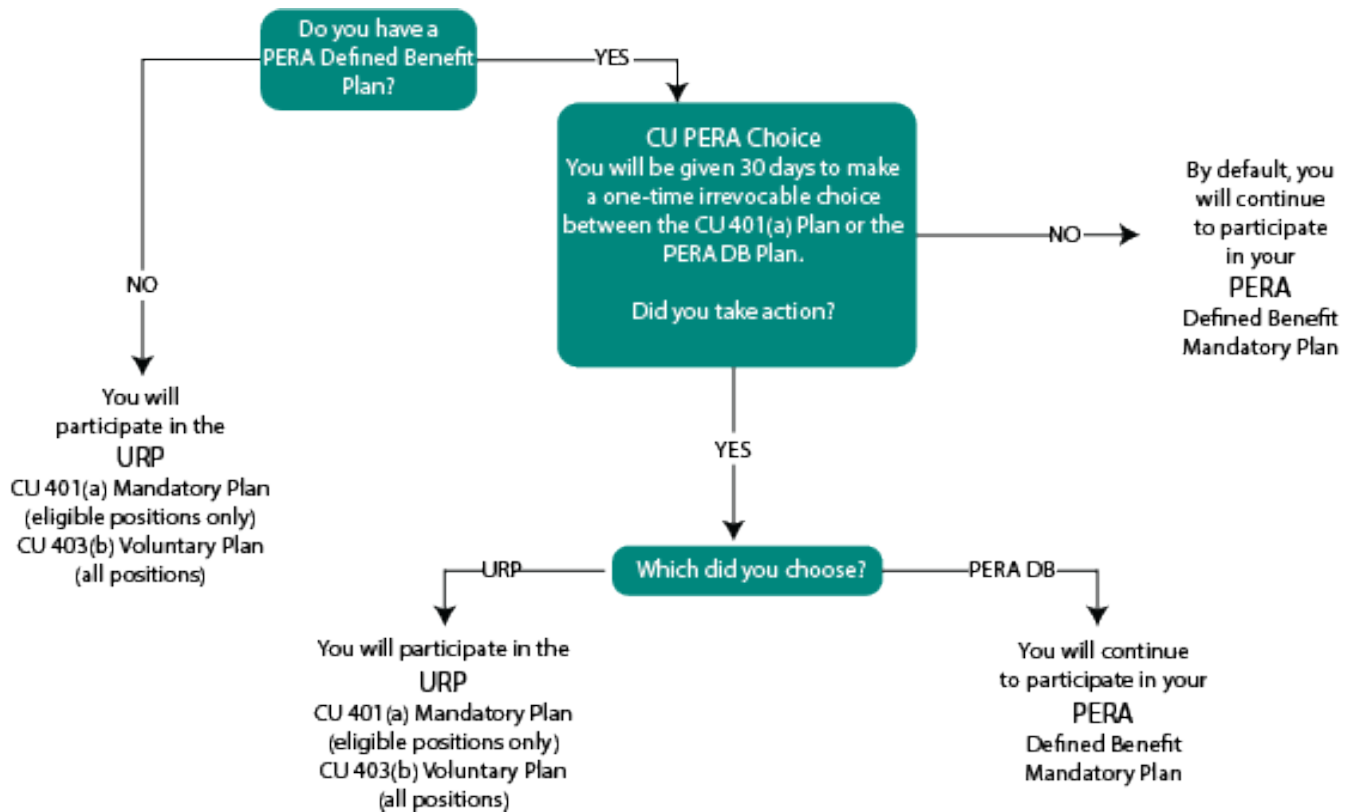
YES

If you come to the university and you have a PERA Defined Benefit (DB) Plan, you are eligible for CU PERA Choice. This one-time irrevocable choice allows you to continue with your PERA (DB) Plan or choose the University Retirement Plan (URP, which includes the CU 401(a) – Mandatory Plan for eligible employees and the CU 403(b) – Voluntary Plan for ineligible employees). You will receive a CU PERA Choice letter detailing how to elect your plan and you will have 30 days to make your election.

- If the election is not made within 30 days, you will default into your PERA (DB) Plan.
- If you choose to remain in your PERA (DB) Plan you will remain in PERA throughout your CU career. Your one-time irrevocable CU PERA Choice remains in effect, even if you leave the university and return in another position.

Your eligibility may impact your choice:

- If you choose the URP and are in an [eligible position](#), you will participate in the CU 401(a) – Mandatory Plan and may choose, but are not required, to participate in the CU 403(b) – Voluntary Plan.
- If you choose the URP and are NOT in an [eligible position](#), you will not be eligible for the CU 401(a) – Mandatory Plan. You may choose to participate in the CU 403(b) – Voluntary Plan. However, this plan is not subject to the required 5 percent employee contribution and CU does not make contributions.



University Retirement Plan Features		
Plan Administrator: TIAA – www.tiaa.org/CU		
	University of Colorado 401(a) – Mandatory Plan	University of Colorado 403(b) – Voluntary Plan
Plan Type	Defined Contribution Plan	
Your Contributions	5% of your annual salary	You determine how much to contribute
CU Contributions	10% of your annual salary	No employer contributions
2019 Limits*	\$56,000 annual limit – total combined employer and employee contributions (excluding catch-up contributions) cannot exceed \$56,000 in 2019. \$280,000** salary limit -2019 calendar year.	\$19,000 annual limit \$6,000 catch-up contribution age 50+
Vesting	Employee and Employer contributions are immediately Vested	

*If you are a new CU employee and participated in the 401(a) plan at your previous employer this year, the \$56,000 contribution limit and the \$280,000 salary limit start over when joining CU's 401(a) – Mandatory Plan.

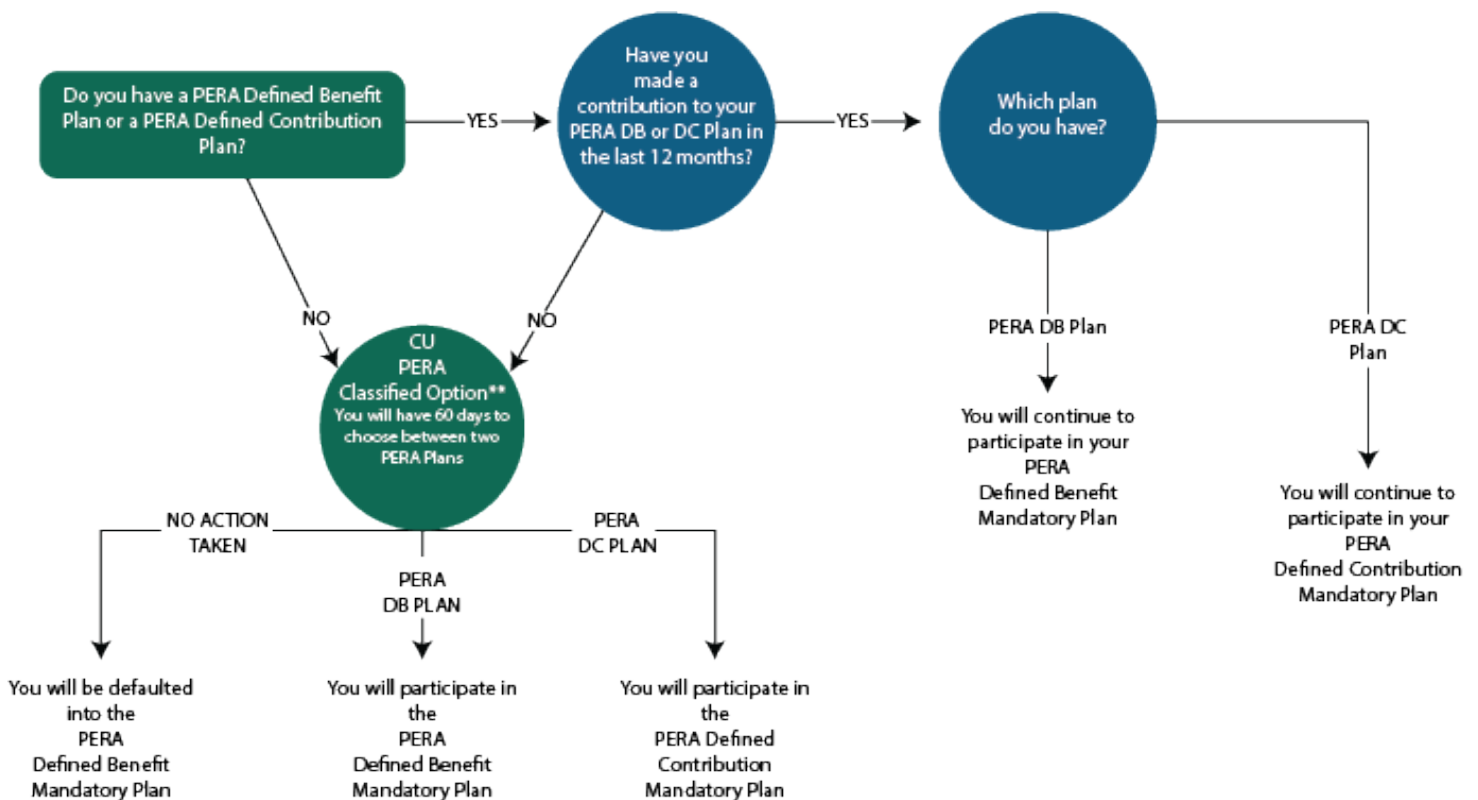
**For employees who first participated in the 401(a) Plan July 1st, 1996 or earlier, with no break in service, the calendar year salary limit is \$415,000 for 2019).

Classified Staff

All Classified Staff participate in one of the two PERA Mandatory Plans.

- If you do not have a PERA Defined Benefit (DB) Plan or PERA Defined Contribution (DC) Plan, or if you have one but have not contributed to it in more than 12 months, you will receive the CU PERA Classified Options letter for [PERAChoice.*](#)
 - You will have 60 days to make your election of the PERA DB Plan or the PERA DC Plan.
 - If you do not make your election within 60 days, you will default into the PERA DB Plan.
- If you have a PERA DB Plan and have made a contribution in the past 12 months, you will be automatically placed in your PERA DB Plan.
- If You have a PERA DC Plan and have made a contribution in the past 12 months, you will be automatically placed in your PERA DC Plan.

*CU PERA Classified Options is referred to as [PERAChoice](#) by PERA. For information regarding the difference between the PERA DB and PERA DC Plan, please visit www.copera.org or refer to the [PERAChoice Brochure](#).



Public Employee's Retirement Association Plan Administrator: PERA www.copera.org		
	Defined Benefit (DB) – Mandatory Plan	Defined Contribution (DC) – Mandatory Plan
Your Contributions	8.75%* of PERA-includable salary (Gross income less any IRS Section 125 plan deductions)	8.75%* of PERA-includable salary (Gross income less any IRS Section 125 plan deductions)
CU Contributions	10.4%* plus 5.0% PERA AED, plus 5.0% PERA Supplemental AED which equals 20.4% of an employee's PERA-includable salary.	10.4%* plus 5.0% PERA AED, plus 5.0% PERA Supplemental AED which equals 20.4% of an employee's PERA-includable salary.
Vesting	Employee contributions immediately vested Employer contributions 5 year vesting period	Vesting Schedule
For detailed information regarding the difference between the PERA DB and PERA DC Plan, please visit www.copera.org or refer to the PERAChoice Brochure .		

*as of July 1st, 2019 – Prior contributions were 8% employee and 10.15% CU.

Resources

- [TIAA](http://www.tiaa.org/cu) - www.tiaa.org/cu – 1-800-842-2252
- [PERA](http://www.copera.org) - www.copera.org – 303-832-9550 Or 1-800-759-7372
- [Benefits Eligibility Matrix](#)
- [PERA Defined Contribution \(DC\) Plan brochure](#)
- [PERAChoice Brochure](#)