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PERA Defined Benefit (DB) Plan [1]

The University of Colorado aims to empower all employees to secure their financial stability in retirement. All eligible employees must participate in one of three mandatory plans, and as a state employer, some CU employees are eligible to participate in a Public Employees' Retirement Association (PERA) plan.

PERA offers two plan options, a Defined Benefit (DB) plan and a Defined Contribution (DC) plan. This page covers the Defined Benefit plan, but you can read more about the Defined Contribution (DC) plan [2].

What is the PERA DB Retirement Plan?

In a nutshell, the PERA DB plan is a pension retirement plan. No matter how much money an employee contributes to the plan during their career, they will receive retirement benefits for life upon retirement. The amount of benefit they receive each month will depend on their years in PERA service, age at retirement and highest average salary.

Both the employee and CU contribute to the account.

Who is eligible for a PERA DB plan?

First, you need to know your job type. For retirement plan purposes, CU has two types of staff: Faculty and University Staff or Classified Staff. If you're unsure what your job classification is, you can find it on your offer letter or you can contact your supervisor or the Employee Services Benefits office.

Classified Staff

For Classified Staff with no prior PERA-covered employment, you have 60 days to choose between the PERA DB or PERA DC plan. Once you've chosen, this selection cannot be reversed.

For Classified Staff with prior PERA-covered employment, you will default into whichever plan you were previously enrolled in unless you have not contributed to that plan in the previous 12 months. If you have not contributed to your PERA plan in at least 12 months, you will have 60 days to choose which type of PERA plan to enroll in.

For placement details, see the Classified Staff Placement Guide [3].

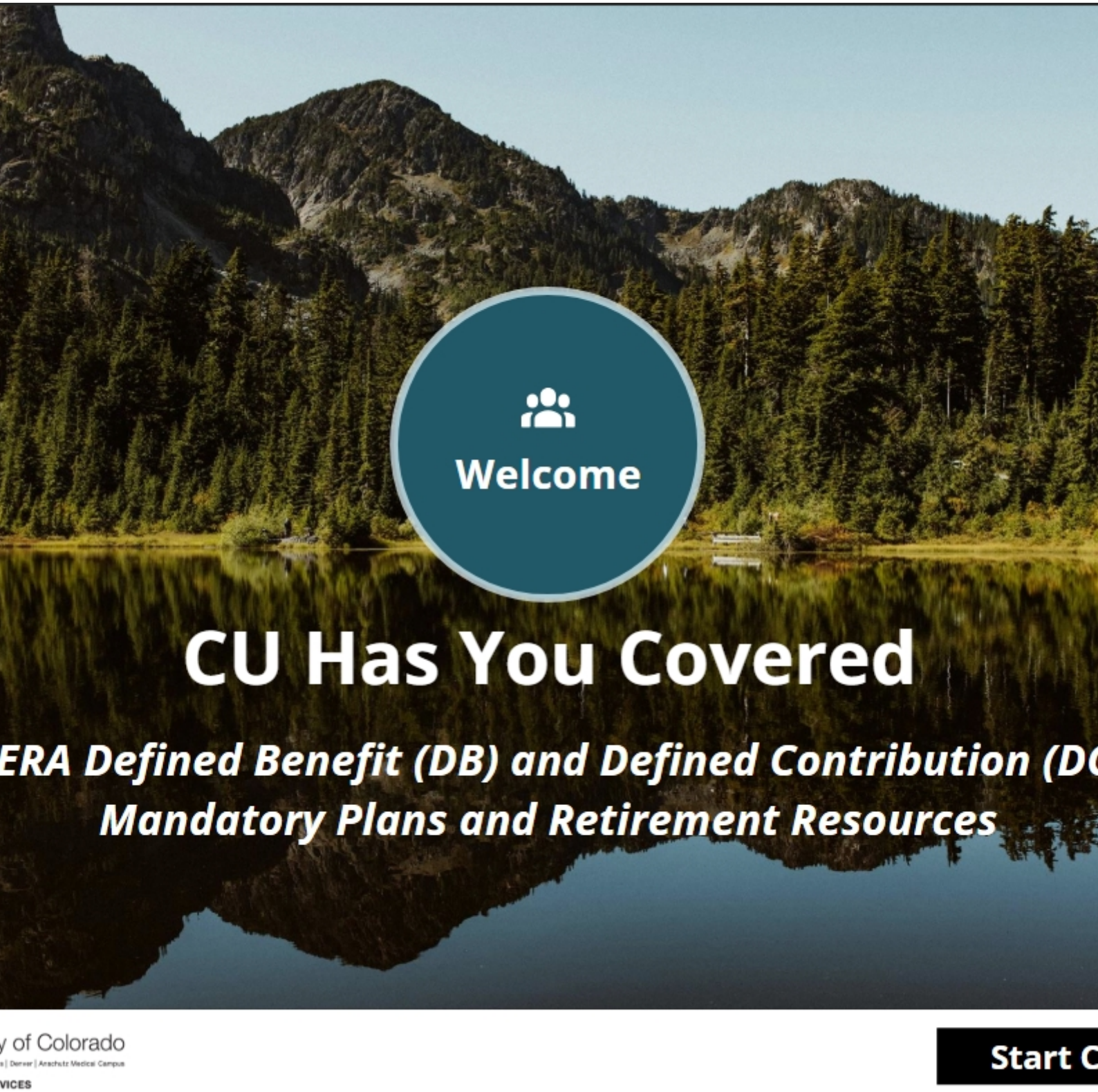
Faculty and University Staff

Faculty and University Staff are only eligible for PERA DB if they previously worked for a PERA employer and have a PERA DB plan. These employees have 30 days to choose between the PERA DB or the CU 401(a) plan. If employees who are eligible to choose fail to make a selection within their designated time frame, they will default irrevocably into the PERA DB plan.

Faculty and University Staff are not eligible for PERA DC.

For placement details, see the Mandatory Retirement Plan Placement Guide for Faculty and University Staff [4].

PERA DB Mandatory Plan and Retirement Resources Course



[5]

Conceptos Basicos de PERA



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Plan resources

- Mandatory Retirement Plan Placement Guide for Faculty and University Staff [4]
- Mandatory Retirement Plan Placement Guide for Classified Staff [3]
- PERA Defined Benefit Mandatory Retirement Plan Guide [7]

Use your account

- PERA member website [8]
- PERA calculators [9]
- PERA webinars [10]

PERA DB Plan at-a-glance

Plan administrator	Public Employees' Retirement Association (PERA) [11]
Who can participate?	Most Classified Staff and some University Staff and Faculty. Please see the Classified Staff and Faculty & University Staff placement guides [12].
Employee contributions	11% of PERA includable salary (gross income less any IRS Section 125 plan deductions, based upon your PERA membership) 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.
Employer contributions	In 2026, 11.65% of gross salary to employee's account. The university will also contribute 5.0% to PERA AED, plus 5.0% PERA Supplemental AED, which equals 21.65% of an employee's PERA-includable salary for 2026.

Salary Limits	The annual compensation limit that can be considered for contributions is $360,000 for calendar year 2026.
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.
Fees	This plan includes administrative fees. Please contact PERA for more details.

Groups audience:
Employee Services
Right Sidebar:
ES: Benefits & Wellness - PERA DB Webinars
ES: Benefits & Wellness - Contact PERA
ES: Benefits & Wellness - Contact
ES: Benefits & Wellness - TIAA/PERA Financial Webinars

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Links
[1] https://www.cu.edu/employee-services/benefits-wellness/current-employee/retirement-plans/pera-defined-benefit-db-plan [2] https://www.cu.edu/employee-services/benefits-wellness/current-employee/retirement-plans/pera-defined-contribution-dc [3] https://www.cu.edu/docs/mandatory-retirement-plan-placement-guide-classified-staff [4] https://www.cu.edu/docs/mandatory-retirement-plan-placement-guide-faculty-and-university-staff
[5] https://www.cusys.edu/plans/2025/ret_plan_PERA_DB/story.html
[6] https://www.cusys.edu/plans/2025/ret_plan_PERA_DB_esp/story.html [7] https://www.cu.edu/docs/pera-defined-benefit-%E2%80%93-mandatory-plan-guide
[8] https://copera.org/welcome-pera-members [9] https://secure.copera.org/secure/calcs/Menu.jsp
[10] https://www.copera.org/webinars [11] http://www.copera.org
[12] https://www.cu.edu/docs?text=placement&dept=All