

Are payments made under the Teacher Incentive Grant Program includable as salary for purposes of PERA contributions as defined in C.R.S. §24-51-101 (42)?

School districts with an academic performance rating of "low" or "unsatisfactory" may receive funds under this program. These funds may be used to make certain payments to individual teachers. The payments are based upon one of the following criteria:

1. A reward for outstanding teacher performance;
2. A recruitment or retention bonus for teachers with a Master's degree;
3. A recruitment or retention bonus for teachers of hard-to-recruit subjects; or
4. A payment to defray housing and living expenses in communities with a lack of affordable housing.

Payments which are made based on criteria 2, 3, and 4 are excluded from PERA salary under the statutory definition of salary given above. Therefore, no PERA contributions should be remitted on these payments.

Payments made under criteria 1 (outstanding teacher performance rewards) are viewed by PERA as merit or performance pay. Such payments can be includable as PERA salary if the plan under which they are paid is approved by PERA.

If a district opts to make payments under criteria 1 and wants that payment counted as PERA salary, the district must forward a copy of the plan document under which the payment is made to PERA for review. The plan document should include the criteria for determining outstanding teacher performance. PERA will notify the district if the plan is approved.

Please contact Rick Larson
at 303-832-9550 ext. 6320,
if you have any questions
concerning this information.



**Personal.
Innovative.
Secure.**

This fact sheet provides general information about the Teacher Incentive Grant Program and Colorado PERA. Colorado PERA membership rights, benefits, and obligations are governed by Title 24, Article 51 of the Colorado Revised Statutes, and the Rules of the Colorado Public Employees' Retirement Association, which take precedence over any interpretations in this fact sheet.