

Employer Manual Highlights

(First in a series)

The newly updated Colorado PERA *Employer Manual* has been posted to the Employer section of the PERA Web site. This article will provide a summary of the first three sections of the guide intended to assist employers about membership benefits and employer responsibilities related to PERA and the contribution reporting process. Subsequent *Topics* articles will summarize the other sections of the manual.

Section 1—Introduction

Section 1 provides a high-level description of PERA and includes the PERA Mission and Vision Statements, as well as contact information for employers and members.

PERA News Briefs

For more details on the following summaries, see the Latest News page on the PERA Web site.

Colorado PERA Outperforms Peers in Customer Service and Cost Containment

PERA outperformed similar pension agencies in customer service and cost containment, according to an analysis by CEM Benchmarking, a global company that analyzes pension fund performance.

The analysis compared PERA's performance in customer service areas such as telephone service, Web site capabilities, and initiation of pension payments at retirement. PERA scored well in each of these areas.

PERA accomplished this improved performance while containing costs, which decreased from a per-member cost of \$65 in 2005 to \$62 in 2006. This per-member cost was well below the median pension plan cost of \$86 per member.

Colorado PERA Board Adopts Statement of Funding Policy

At the November 16, 2007, Board of Trustees meeting the PERA Board adopted the following Statement of Funding Policy.


Colorado PERA Reaches \$15.5 Million Settlement With Qwest

PERA announced that it reached a \$15.5 million settlement with Qwest, the Denver-based telecommunications company. A class action settlement with Qwest was announced on

Section 2—Employers and Colorado PERA

This section outlines the employer responsibilities and whom to contact at PERA if you need assistance in reporting contributions or would like to schedule a PERA benefits meeting for your employees. Section 2 lists a variety of PERA resources available to employers.

Section 3—Membership in Colorado PERA


Section 3 describes who must, by law, contribute to PERA. This section also has information on members who may select retirement plans other than PERA, and under what circumstances this is allowed. 

January 5, 2006, but citing excessive attorney fees and an inadequate recovery, PERA elected to forego the class recovery and pursue its own action against Qwest.

By participating in the separate proceeding, PERA recovered an amount 38 times greater than it would have if it had remained a part of the class action lawsuit. PERA's approximate recovery as a part of the class would have been only \$400,000.

Colorado PERA Retiree Indicted on Five Felony Counts for Manipulating Salary to Increase PERA Benefit

The Boulder County District Attorney's Office has indicted Ann Leslie Kane, a retiree of the Horizons Charter School in Boulder, on five felony accounts related to salary "spiking." Ms. Kane, the former Lead Teacher (principal) of the school, is alleged to have falsely reported performance-based payments she received to intentionally increase, or to "spike," the salaries upon which her PERA retirement benefit was calculated.

PERA staff reviews the salary history of all members who apply for retirement benefits before processing a retirement. In the case of Ms. Kane, documentation was submitted that falsely reported her performance pay as approved by the charter school board as merit pay which is considered salary, when in fact, the charter school board had not taken such action. When overpayment of benefits is detected by PERA staff, PERA reduces the benefit being paid to collect the amount of overpayment over time. 

Regional training for employers on the *Employer Manual* is planned for early next year. Watch for details so that you can attend this informative training session.

PERA Holiday Office Closures

Monday,
December 24

Tuesday,
December 25

Monday,
December 31
(@ 2 p.m.)

Tuesday,
January 1



Reporting the SAED

For payrolls ending on or after January 1, 2008, the Contribution Report Summary Sheet in the STARS online contribution system will automatically calculate the combined amount of the Amortization Equalization Disbursement (AED) and the Supplemental Amortization Equalization Disbursement (SAED) required on reported PERA-includable salary for your employees and rehired PERA retirees. The new Summary Sheet will be available online. We've included a sample of what the updated Summary Sheet will look like below. If you have questions about the AED, SAED, or other contribution reporting issues, please contact your Employer Representative at PERA.

PERA Contribution Report Summary
 Colorado Public Employees' Retirement Association
 1-800-221-2627



Employer Name _____ Employer Number _____

Adjustment?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Employer Contribution Rate	_____
Employer AED Contribution Rate	_____
Employer SAED Contribution Rate	_____
Payroll Period	_____ - _____
Date the Payroll Was Paid	_____
Total PERA-Includable DB Salary	_____ 1
Total Retiree Salary	_____ 2
Total AED/SAED-Only Salary	_____ 3
Total Employee MatchMaker DC Contributions	_____ 4
Total MatchMaker Contributions	_____ 5
Total Member PERA Contributions	_____ 6
Total Life Insurance	_____ 7
(DB Salary + Retiree Salary) × (Employer + AED Rate + SAED rate)	_____ 8
AED/SAED-Only Salary × (AED Rate + SAED Rate)	_____ 9
Net Employer Contributions (Line 8 + 9 - 5)	_____ 10
Rounding Adjustment	_____ 11
Total Amount Remitted to PERA (Line 6 + 7 + 10 + 11)	_____ 12
Payment Method	_____
Effective Date of Payment	_____

Name/Date/Phone _____

Comments:

PERA OFFICE USE

Deposit Date _____ Deposit Number _____ Processing Month/Year _____ Control Number _____

Deposit Amount \$ _____ Wire ACH Payroll Month/Year _____ Dept/Supp Number _____

401(k) Update

New Default Fund for the 401(k) and DC Plans


A recent regulation issued by the U.S. Department of Labor (DOL) has determined that short-term funds such as The Northern Trust Short Term Fund should not be used as default funds. The DOL regulation outlines several options for default funds known as “qualified default investment alternatives” or QDIA funds. Based upon the DOL regulation, the Colorado PERA Board of Trustees has changed the default fund in the PERA 401(k) Plan and PERA DC Plan to the Dodge and Cox Balanced Fund. Default contributions made after December 23, 2007, will be invested in the Dodge and Cox Balanced Fund. Contributions made prior to December 23, 2007, to The Northern Trust Short Term Fund will not be transferred.

Members may log on to their account at www.copera.org and select the 401(k)/DC Plan link in the drop down box under Inquiry. Click on the Colorado PERA 401(k) and/or DC Plan link. Click on the Manage Investments link on the left-hand menu. Click on Change Elections. Members may allocate future investments by percentages on this page. Note that these elections will change investment elections for future contributions only. If members would like to change their current balance allocation, they should go to the Manage Investments section of the site and process a reallocation or a fund transfer.

Members may also call a Participant Services Representative at 1-800-759-7372 and select the 401(k)/DC Plan option. A representative will assist in making fund elections.

Members who defaulted by not selecting investment funds, do not need to do anything if they wish to have contributions after December 23, 2007, invested in the Dodge and Cox Balanced Fund.

Get Information about PERA Benefits from PERA

The importance of using PERA as a resource for your employees when they are considering retirement or when they terminate PERA-covered employment cannot be understated. A recent *USAToday* article (<http://www.usatoday.com/printedition/news/20071105/retirescam.htm>) told a story about a retired couple who were enticed into early retirement and ended up having to return to work after their financial planner exaggerated their retirement benefit. As *USAToday* notes, “Bad advice from brokers will be a rising problem as boomers exit jobs, regulators say.” While PERA cannot give financial advice, we are the best resource for PERA members who want to learn about their PERA benefits. We also have a variety of calculators on our Web site for members and retirees who wish to further their investment planning. <https://www.copera.org/secure/Calculators/Menu.jsp> 

Colorado PERA Adds Socially Responsible Investment Option to its 401(k) and DC Plans

The PERA Board of Trustees has approved the addition of a Socially Responsible Investment (SRI) option to the PERA 401(k) Plan and PERA DC Plan. Beginning in January 2008, participants will be able to invest in the Pax World Balanced Institutional Fund (Ticker symbol: PAXIX).

PERA added the SRI option in part to fulfill the voluntary provisions of House Bill 07-1184, which required the PERA Defined Benefit Plan to divest from companies with active business operations in Sudan. The addition of the fund to PERA's 401(k) and PERA DC Plan offerings goes further by voluntarily complying with laws affecting the PERA Defined Benefit Plan and also satisfies requests made by plan participants for such a fund.


The Pax World Balanced Institutional Fund not only screens for Sudan investments, but is responsive to a more comprehensive array of social issues. The fund does not invest in companies significantly involved in the manufacture of weapons or weapons-related products, the manufacture of tobacco products, companies that are involved in gambling as a main line of business, or those that engage in unethical business practices.

Since the Pax World Balanced Institutional Fund is a balanced fund, participants may elect this option as their only investment fund and be diversified in their 401(k) and DC Plan portfolio. 

PERA Benefits Meetings for Your Employees

Convenience is one of the largest motivators for learning. We want to make learning about Colorado PERA convenient for your employees. After all, Colorado PERA is one of the largest benefits that you provide to your employees throughout their careers.

PERA's Field Education Team can provide these educational sessions in your offices and schools. No rushing home for a quick dinner and driving to a meeting across town. During staff meetings, on employee development and training days, or near the end of the work day are great times to schedule a meeting. The Field Education Team will tailor the content and length of the meeting to best serve the needs of your staff, whether it's a large group or just a few employees. The Field Education Team has the depth of knowledge about Colorado PERA needed to answer member questions fully and completely.

Contact your Field Education Representative to schedule a meeting at your location. 

Review the Colorado PERA Board of Trustees' statement on divestment.

Special Thank You to Employers

Thank you to all affiliated employers who allowed the PERA Field Education staff the opportunity to speak at their locations in 2007. We think it's important that our members get information about PERA from PERA—thank you for the opportunity to educate your employees!

Academy School District Twenty
Adams 12 Five Star Schools
Adams County Housing Authority
Adams County School District 14
Adams County School District 50
Adams State College
Arapahoe Park and Recreational District
Archuleta School District RE-50
Arickaree School District
Aspen Community School
Ault School District
Aurora Community College
Aurora Public Schools
Bayfield School District
Bennett Public Schools
Bethune Public Schools
Boulder County Government
Boulder Valley School District
Boxelder Sanitation District
Brighton Public Schools
Buena Vista School District
Burlington School District
Center Housing Authority
Central Colorado Water Conservancy District
Cherry Creek School District
Cheyenne Mountain Charter Academy
City of Alamosa
City of Boulder
City of Colorado Springs
City of Las Animas
City of Manitou Springs
Colorado Association of School Boards
Colorado Association of School Executives
Colorado District Attorneys' Council
Colorado Housing and Finance Authority
Colorado Lottery
Colorado Mental Health Institute at Pueblo
Colorado Mountain College
Colorado Northwestern Community College
Colorado School of Mines
Colorado Springs Public Schools
Colorado Springs Public Utilities
Colorado State University
Colorado State University at Pueblo
Community Leadership Academy
County Technical Services Inc.
CoverColorado
Creede School District
Cripple Creek/Victor School District
Custer County School District C-1
De Beque School District
Delores County School District RE-2
Delta Public Schools
Department of Corrections
Department of Education
Department of Human Services
Department of Labor and Employment

Department of Military and Veterans Affairs
Department of Natural Resources
Department of Personnel and Administration
Department of Public Safety
Department of Regulatory Agencies
Department of Transportation
Department of Treasury
District Courts—Judicial Department
Division of Wildlife
Douglas County Schools
Douglas Public Library District
Durango School District
Eagle County School District Re 50
East Central Board of Cooperative Educational Services
East Larimer County Water District
Elbert School District 200
Elizabeth School District
Fire and Police Pension Association
Forest Lakes Metro District
Fort Lewis College
Fort Lupton School District
Fremont Sanitation District
Fremont School District
Garfield County Housing Authority
Genoa-Hugo School District
Granby School District
Grand Junction Regional Airport Authority
Grand Junction Regional Center
Gunnison Watershed School District
Hayden School District
Ignacio School District
Indian Peaks Charter School
Jefferson County School District
Judicial Administration
Julesburg School District
Karval School District
Lake County School District
Lamar Community College
Lamar Utilities Board
Legislative Council
Lewis-Palmer School District
Limon School District
Littleton School District
Longmont Housing Authority
Lotus School for Excellence
Mapleton Public Schools
Meeker School District
Mesa State College
Metropolitan State College of Denver
Morgan Community College
Mountain Valley School District
New Vision Charter School
North Chaffee County Regional Library
North Park School District
Northeast Colorado Health Department
Northeastern Junior College

Norwood School District
Office of Economic Development & International Trade
Office of Innovation and Technology
Office of the Governor & Executive Mansion
Office of the Lt. Governor
Otero Junior College
Ouray School District
Park School District
Pikes Peak Board of Cooperative Educational Services
Pikes Peak Community College
Pinnacol Assurance
Poudre School District RE-1
Pueblo County Rural School District #70
Pueblo School District 60
Rangely Regional Library District
Red Rocks Community College
Red, White & Blue Fire Protection District
Ricardo Flores Magon Academy
Roaring Fork School District
San Juan Board of Cooperative Services
San Miguel County Public Library
Sanford School District
School for the Deaf and the Blind
Scientific & Cultural Facilities District
Sheridan School District
Soldier Canyon Filter Plant
Special District Association of Colorado
St. Vrain School District
State Board for Community Colleges and Occupational Education
State Historical Society
Steamboat Springs School District
Summit School District
Telluride School District
The Housing Authority of the City of Boulder
Town of Bayfield
Town of Dinosaur
Town of Estes Park
Town of Mountain Village
Town of Seibert
Town of Silver Plume
Trinidad State Nursing Home
Twin Peaks Charter Academy
University of Colorado
University of Northern Colorado
Walsh School District RE-1
Weld County Department of Public Health and Environment
Weld County School District RE-5J
Weld County School District RE-7
West End School District
Wray School District RD-2

Colorado PERA Contact Information

Members should call Customer Service with questions about benefits or their accounts. The PERA Customer Service Center phone number is 303-832-9550 or 1-800-759-7372 and is open Monday through Thursday, 7:00 a.m. to 5:30 p.m., and Friday, 7:00 a.m. to 4:30 p.m.

PERA Employer Representatives

Employers who have questions about their contribution report or STARS should call their Employer Representative in the Benefit Services Division (listed by employer number below).

<i>Employer Number/Agency</i>	<i>Employer Representatives</i>
401(k) and Defined Contribution	Jeffrey Cable 303-837-6217
	Rose Montano 303-837-6238
Central Payroll, 54, 580	Annette Cote 303-837-6256
42, 75, 200-390	Chris Hoehle 303-863-3840
390-489, 670-859	Jesse Murillo 303-863-3889
490-669, 700	Chad Hursh 303-837-6229
860-949 and State agencies that do not report through Central Payroll	Randy Spencer 303-837-6239
59, 90, 910, 915, 916, 920, 944, 950-999	Angela Byrne Employer Relations Manager 303-863-3879

PERA Field Education Representatives

Employers who wish to have a PERA Field Education Representative speak to their employees should call their Field Education contact (listed by employer number below).

<i>Employer Number</i>	<i>Field Education Representatives</i>
1-74	Gordon Steuck 303-863-3855
75-154	Thomas Shofner 303-837-6289
155-222	Kirsten Strausbaugh 303-863-3809
223-391	Nadine Grosjean 303-837-6215
392-499	Aimee Buchholz 303-863-3706
500-779	Shane Linart 303-863-3861
780-991	Rick Chase 303-863-3790
	Dennis Gatlin Field Education Manager 303-863-3788