CIBER INC
Form 11-K
June 28, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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FORM 11-K
(Mark One)

[X] ANNUAL Report Pursuant to Section 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2015

OR

[ ] Transition Report Pursuant to Section 15(d) of the Securities Exchange Act of 1934

For the transition period from ______________ to ______________

Commission file number 001-13103

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A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Ciber, Inc. Savings 401(k) Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Ciber, Inc.
6312 South Fiddler's Green Circle, Suite 600E
Greenwood Village, Colorado 80111

REQUIRED INFORMATION

The financial statements and schedules of the Ciber, Inc. Savings 401(k) Plan for the year ended December 31, 2015, prepared in accordance with the financial reporting requirements of ERISA along with the independent registered public accounting firm's report thereon, are provided beginning on page F-1 attached hereto.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan Sponsor has duly caused this annual report to be signed on its behalf by the undersigned, hereunto duly authorized.

Ciber, Inc. Savings 401(k) Plan

Dated: June 27, 2016
By: /s/ Christian Mezger
Christian Mezger
Chief Financial Officer

INDEX TO EXHIBITS

Exhibit No.	Description
23.1	Consent of Independent Registered Public Accounting Firm

CIBER, INC. SAVINGS 401(k) PLAN

Financial Statements and Supplemental Schedule

As of December 31, 2015 and 2014 and for the Year Ended December 31, 2015

Report of Independent Registered Public Accounting Firm

The Plan Administrator
Ciber, Inc. Savings 401(k) Plan

We have audited the accompanying statements of net assets available for benefits of Ciber, Inc. Savings 401(k) Plan as of December 31, 2015 and 2014, and the related statement of changes in net assets available for benefits for the year ended December 31, 2015. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Plan's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Ciber, Inc. Savings 401(k) Plan at December 31, 2015 and 2014, and the changes in its net assets available for benefits for the year ended December 31, 2015, in conformity with U.S. generally accepted accounting principles.

The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2015, has been subjected to audit procedures performed in conjunction with the audit of Ciber Inc. Savings 401(k) Plan’s financial statements. The information in the supplemental schedule is the responsibility of the Plan’s management. Our audit procedures included determining whether the information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedule. In forming our opinion on the information, we evaluated whether such information, including its form and content, is presented in conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Ernst & Young LLP

Denver, Colorado
June 27, 2016

CIBER, INC. SAVINGS 401(k) PLAN

Statements of Net Assets Available for Benefits

December 31, 2015 and 2014

	2015	2014
Assets		
Investments, at fair value	$172,147,553	$181,461,305
Fully benefit-responsive investments, at contract value	17,623,495	17,165,865
Total investments	189,771,048	198,627,170
Notes receivable from participants	1,762,099	1,619,312
Contributions receivable from employees	326,980	—
Contributions receivable from employer	32,669	—
Net assets available for benefits	$191,892,796	$200,246,482

See accompanying notes to financial statements.

CIBER, INC. SAVINGS 401(k) PLAN

Statements of Changes in Net Assets Available for Benefits

Year Ended December 31, 2015

Additions to net assets attributed to:	
Investment income:	
Net depreciation in fair value of investments	$(6,358,315)
Interest and dividend income	7,422,077
Total investment income	1,063,762
Contributions:	
Participants	10,825,344
Employer, net of forfeitures	1,302,857
Others (including rollovers)	3,253,075
Total contributions	15,381,276
Total additions, net	16,445,038
Deductions from net assets attributed to:	
Distributions to participants	24,705,658
Loan and administrative fees	93,066
Total deductions	24,798,724
Net decrease	(8,353,686)
Net assets available for benefits at beginning of year	200,246,482
Net assets available for benefits at end of year	$191,892,796

See accompanying notes to financial statements.

CIBER, INC. SAVINGS 401(k) PLAN

Notes to Financial Statements

December 31, 2015 and 2014

(1) Description of the Plan

The following description of the Ciber, Inc. Savings 401(k) Plan (the "Plan") provides only general information. For a more complete description of the Plan, participants should refer to the Summary Plan Description or the Plan Agreement, which is available from the plan administrator.

(a) General

The Plan is a defined contribution plan covering substantially all employees of Ciber, Inc. and certain of its subsidiaries ("Ciber" or the "Company"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Principal Life Insurance Company ("Principal") is the recordkeeper of the Plan. Delaware Charter Guarantee & Trust Company, d/b/a Principal Trust Company serves as trustee of the Plan. Employees of the Company who are at least 21 years of age and are benefited are eligible to participate in the Plan.

(b) Contributions and Vesting

Participants may contribute up to 75% of pretax annual compensation, with the exception of employees considered "highly compensated." Highly compensated employees are restricted to a maximum contribution of 9% of compensation. In addition, qualifying participants may make "catch-up" contributions. Contributions are subject to certain limitations of the Internal Revenue Code ("the Code"). Participants may also contribute amounts representing distributions from other qualified defined contribution or benefit plans (rollovers). Participants can change their contribution percentage at any time. The Company cash contribution is a match of 33% of the participant's salary deferral contribution each pay period, on up to 6% of the participant's qualified compensation. In no event will the Company make matching contributions in excess of $2,000. Catch-up contributions are not matched. Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching contribution plus actual earnings thereon is based on years of service as follows:

Completed Years of Service	Vested Percentage	
Less than two years	0	%
Two years	20	%
Three years	40	%
Four years	60	%
Five years	80	%
Six years	100	%

Participants reach 100% vesting in the Company's matching contribution plus actual earnings thereon after six years of service. If a participant terminates prior to vesting, unvested amounts are forfeited and can be used to reduce future employer contributions or cover Plan administrative expenses.

At December 31, 2015 and 2014, unallocated forfeited accounts totaled $131,334 and $129,403, respectively. In 2015, employer contributions were reduced by $464,278 from forfeited accounts.

(c) Investment Options

The Plan's assets are invested in various investment options offered by Principal and in Ciber common stock, as directed by the participants. Participants may invest their account balance in the various investment options in 1% increments. Participants may change their investment options on a daily basis.

(d) Distributions

Participants are generally entitled to a distribution from the Plan upon termination of employment, retirement, disability, or death. Terminated participants are entitled to receive only the vested percentage of their account balance and the remainder of the account is forfeited. For other situations, there are various methods by which benefits may be distributed depending on date of employment, marital status, and participant elections.

In service withdrawals are available in certain limited circumstances, as defined by the Plan. Hardship withdrawals are allowed for participants incurring an immediate and heavy financial need, as defined by the Plan. Hardship withdrawals are strictly regulated by the Internal Revenue Service ("IRS") and a participant must exhaust all available loan options and available distributions prior to requesting a hardship withdrawal.

(e) Participant Loans

Participants may borrow from their account a minimum of $1,000 and up to a maximum of $50,000 or 50% of their vested account balance, whichever is less. Loan terms must not exceed five years, except for loans to acquire a principal residence, which must not exceed seven years. Interest on loans is charged at the prime rate as of the processing date of the loan, plus 1% and ranged from 4.25% to 9.25% as of December 31, 2015 and 2014. Principal and interest is paid ratably through payroll deductions. Participants pay a loan origination fee of $50 per loan to Principal.

(f) Expenses

The Plan's administrative expenses are paid by either the Plan or the Company, as provided by the Plan's provisions. In general, plan expenses, other than broker commissions, portfolio transaction fees, and administrative service fees on the accounts of non-employee participants, are paid by the Company. Expenses relating to purchases, sales or transfers of the Plan's investments are charged to the particular investment fund to which the expenses relate.

(g) Participant Accounts

Each participant's account is credited with the participant's contributions and the Company's matching contributions and allocations of plan earnings. Plan earnings are allocated based on the participant's share of net earnings or losses of their respective elected investment options. Administrative expenses are based on the participant's investments and account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(h) Ciber, Inc. Stock Account

The Plan invests in common stock of Ciber, Inc. through its Ciber, Inc. Stock Account. The Ciber, Inc. Stock Account does not hold cash or other short-term securities. Plan participants are not required to invest in the Ciber, Inc. Stock Account, and may exchange into or out of the Ciber, Inc. Stock Account on a daily basis. Trades within the Ciber, Inc. Stock Account involve a one cent per share broker commission for each transaction. The commission is netted from the trade and will have an effect on the share price used for the trade.

Each participant is entitled to exercise voting rights attributable to the shares allocated to their account and is notified by the Company prior to the time that such rights may be exercised. The trustee votes any shares in the plan allocated to participants that did not make a voting election in the same proportion as those shares for which the trustee did receive voting elections, unless the Committee directs the trustee otherwise. Participants have the same voting rights in the event of a tender or exchange offer. This investment option changed during 2016. As of March 1, 2016, this investment option was no longer available for election and investments are required to be transferred from this option by December 19, 2016.

(i) Plan Termination

Although the Company has not expressed any intent to terminate the Plan, it retains the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of termination, participants will become 100% vested in their accounts.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting and Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. Distributions are recorded when paid.

(b) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements, accompanying notes to the financial statements, and supplemental schedules. Actual results could differ from those estimates.

(c) Notes Receivable from Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2015 or 2014. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

(d) New Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-07, Disclosures for Investments in Certain Entities that Calculate Net Asset Value Per Share

(or its Equivalent), ("ASU 2015-07"). ASU 2015-07 removes the requirement to categorize within the fair value hierarchy investments for which fair values are estimated using the net asset value practical expedient provided by Accounting Standards Codification 820, Fair Value Measurement. Disclosures about investments in certain entities that calculate net asset value per share are limited under ASU 2015-07 to those investments for which the entity has elected to estimate the fair value using the net asset value practical expedient. ASU 2015-07 is effective for entities (other than public business entities) for fiscal years beginning after December 15, 2016, with retrospective application to all periods presented. Early application is permitted. Management has elected to adopt ASU 2015-07 early.
In July 2015, the FASB issued ASU 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): ("Part I") Fully Benefit-Responsive Investment Contracts, ("Part II") Plan Investment Disclosures, ("Part III") Measurement Date Practical Expedient. Part I of the ASU eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II of the ASU eliminates the requirements to disclose individual investments that represent 5% or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. It also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III of the ASU is not applicable to the Plan. The ASU is effective for fiscal years beginning after December 15, 2015. Parts I and II are to be applied retrospectively. Management has elected to adopt Parts I and II early.

(e) Investment Valuation and Income Recognition
Investments are stated at fair value, except for fully benefit-responsive investment contracts. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price).
Marketable securities (Ciber, Inc. stock) are valued at the closing price reported on the active market on which the individual securities are traded. Mutual funds are valued at the net asset value (“NAV”) of shares held by the Plan at year-end, as determined by the last published market price on the last day of each year as quoted by the investment company. The quoted price is that which is reported by the active market on which the fund is traded. Pooled separate accounts and collective investments are valued at NAV as determined by the issuers. The NAV is used as a practical expedient to estimate fair value. See Note 3 for further discussion and disclosures related to fair value measurements.
Investment transactions are recorded on the date of purchase or sale (“trade-date”). Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Net depreciation includes the Plan's gains and losses on investments bought and sold, as well as held during the year.
(f) Risks and Uncertainties

The Plan provides for various investment options. The Plan's exposure to credit loss in the event of nonperformance of investments is limited to the carrying value of such investments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits and participant account balances.

(3) Fair Value Measurements

The Plan performs fair value measurements in accordance with Accounting Standards Codification Topic 820 ("ASC 820"), which defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the Plan's principal or most advantageous market for the asset or liability. ASC 820 establishes a fair value hierarchy that requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. An asset's or liability's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1 -	Unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access at the measurement date.
Level 2 -	Significant other observable inputs other than Level 1 prices, such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data, either directly or indirectly, for substantially the full term of the asset or liability.
Level 3 -	Significant unobservable inputs that reflect management's judgment about the assumptions that a market participant would use in pricing the investment and are based on the best available information, some of which may be internally developed.

The following table sets forth, by level within the fair value hierarchy, the Plan's assets measured at fair value on a recurring basis as of December 31, 2015:

	December 31, 2015			
	Level 1	Level 2	Level 3	Total
Mutual Funds	$88,489,661	$ —	$ —	$88,489,661
Ciber, Inc. Common Stock	2,301,301	—	—	2,301,301
	$90,790,962	$ —	$ —	$90,790,962

Investments measured at net asset value: