

31.07.01 Retirement and Employment After Retirement

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Regulation Statement

This regulation provides guidance for members of The Texas A&M University System (system) when counseling retired individuals wishing to return to work on a part-time or full time basis.

Reason for Regulation

This regulation provides information on retaining or reinstating benefits as well as a quick reference for Teacher Retirement System (TRS) rules surrounding reemployment and retaining an existing annuity.

Procedures and Responsibilities

1. GENERAL

The following provisions apply to the types of retirement and employment after retirement described in System Policy *31.07, Retirement*.

2. MANDATORY RETIREMENT AGE

Restrictions concerning the age at which employees may be required to retire, which are specified in System Policy *31.07*, do not apply to individuals who are employed by system members for special assignments in other countries. Authority to grant exceptions for work beyond a mandatory retirement age is hereby delegated to the system member chief executive officers.

3. DISABILITY RETIREMENT

In addition to the application form and medical examination results, detailed information about a disability may be required by TRS or the system before a disability retirement is approved.

4. EMPLOYMENT AFTER RETIREMENT

The following rules apply to those returning to work after retirement.

4.1 Approvals

An individual may be employed after retirement where the best interests of the system will be served.

4.2 TRS Retirees

4.2.1 TRS retirees, in order to maintain retiree status, may not be re-employed until the second calendar month following the month of retirement. (For example, if the retirement date is January 31, the earliest re-employment date would be March 1.)

4.2.2 A TRS retiree may be employed by a system member for up to a 50 percent effort on a monthly basis for the fiscal year or between a 51 percent and 100 percent effort for a period of no more than six months during a fiscal year and continue to receive monthly benefit payments. The full-time employment option may not be in the same fiscal year in which the employee retires, must be properly elected and documented, and must be after the official date of retirement and at least one calendar month after the effective retirement date. The employee must designate the full-time employment period (up to six months) by the end of the first month of such employment.

4.2.3 TRS retirees will forfeit their annuities for those months during which they exceed the preceding percent effort and appointment period restrictions. However, individuals who retired before January 1, 2001, may return to work without restriction on the percent effort or duration of employment without forfeiting their TRS benefits.

4.2.4 The above rules are subject to change by TRS. TRS rules should be examined prior to employment to determine eligibility for continuation of retirement benefits.

4.3 Salary

The salaries of employees approved for service after retirement will be adjusted to reflect the value of positions held and work performed in the positions they occupy after retirement.

4.3.1 The base salary rate paid immediately prior to retirement will not necessarily be continued into the service after retirement. The initial after-retirement rate will not normally exceed that which was paid for service during the previous fiscal year except for situations in which a retiree accepts an overseas assignment requiring special salary consideration for hardship and cost of living. The initial rate should be established with mutual consent before the post-retirement position begins.

4.3.2 Employees approved for service after retirement will be subject to mandated (across-the-board) salary adjustments during their post-retirement employment and may receive merit increases in recognition of exceptional job performance after completion of six months' service at their regular rate of pay.

4.4 Benefits

4.4.1 Re-employed retirees are not eligible to participate in TRS or the Optional Retirement Program (ORP), and no further state or individual contributions will be made to TRS or ORP (See System Regulation *31.02.09, Optional Retirement Program*, for exceptions). Persons re-employed may participate as retirees in any system group insurance plan(s) for which other retirees are eligible. Prior to retirement, all retirees should visit the appropriate human resources office to complete the paperwork necessary to continue group insurance coverages.

4.4.2 All retirements constitute a break in service; therefore, all accounts for accumulated vacation credit must be settled at the date of termination. All sick leave credit accumulated at that date is forfeited unless the employee is re-employed by the same system member after a 30-calendar-day break in service but within 12 months of retirement or by any other system member or state agency within 12 months of retirement. Sick leave may be donated to the sick leave pool (see System Regulation *31.06.01, Sick Leave Pool Administration*).

4.4.3 Re-employed retirees should consult the applicable system regulations regarding vacation leave, sick leave, and longevity pay to determine their eligibility for these respective benefits.

5. DISMISSAL PROCEDURES

All faculty and staff employees working after retirement are subject to the discipline and dismissal procedures in System Regulation *32.02.02, Discipline and Dismissal of Nonfaculty Employees*, and may be dismissed under these procedures before their terms of employment have expired. Tenure status ceases at retirement.

Related Statutes, Policies, or Requirements

[System Policy 31.07, Retirement](#)

[System Regulation 31.01.04, Longevity and Hazardous Duty Pay](#)

[System Regulation 31.02.09, Optional Retirement Program](#)

[System Regulation 31.03.01, Vacation](#)

[System Regulation 31.03.02, Sick Leave](#)

[System Regulation 31.06.01, Sick Leave Pool Administration](#)

[System Regulation 32.02.02, Discipline and Dismissal of Nonfaculty Employees](#)

[Tex. Gov't Code § 824.005, Revocation of Retirement](#)

[Tex. Gov't Code § 824.601, Loss of Monthly Benefits](#)

[Tex. Gov't Code § 824.602, Exceptions](#)

[Teacher Retirement System of Texas](#)

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