

## **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.

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### **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, and also addresses the reemployment of Optional Retirement Program (ORP) retirees.

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### **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 members for special assignments in other countries. Authority to grant exceptions for work beyond a mandatory retirement age is delegated to the 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 TRS Retirees

- 4.1.1 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.)
- 4.1.2 A TRS retiree with a break in service of at least one full calendar month may be employed by a member for up to a 50 percent effort on a monthly basis and continue to receive monthly benefit payments.
- 4.1.3 A TRS retiree with a break in service of at least 12 full consecutive calendar months may be employed on a full-time basis (more than 50%) and continue to receive monthly benefit payments.
- 4.1.4 TRS retirees will forfeit their annuities for those months during which they exceed the preceding percent effort restrictions. However, individuals who retired before January 1, 2011 may return to work without restriction on the percent effort or duration of employment without forfeiting their TRS benefits.
- 4.1.5 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.

### 4.2 ORP Retirees

Individuals returning to work after retiring under ORP do not have any waiting period or percent effort restrictions.

### 4.3 Salary

The salaries of individuals approved for employment after retirement will be based on 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 employment after retirement. The initial post-retirement rate will not normally exceed that which was paid for employment 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 Individuals approved for employment after retirement will be eligible for 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' employment.

#### 4.4 Benefits

4.4.1 Re-employed retirees are not eligible to participate in TRS or ORP and no further state or individual contributions will be made to TRS or ORP. Individuals re-employed may participate as retirees in any system group insurance plan(s) for which other retirees are eligible. All employees considering retirement should consult with the appropriate human resources office prior to retirement 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 member after a 30-calendar-day break in service but within 12 months of retirement, or by any other 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. Tenure status ceases at retirement.

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## **Related Statutes, Policies, or Requirements**

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[System Policy 31.07, Retirement](#)

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

[System Regulation 31.02.08, 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](#)

[34 Tex. Admin. Code Pt. 3, Ch. 31, Subch. B, Employment After Service Retirement](#)

[Teacher Retirement System of Texas](#)

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## **Member Rule Requirements**

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No rule is required to supplement this regulation.

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## **Contact Office**

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System Benefits Administration  
(979) 458-6330