

Procedures for Hiring Working PERA Retirees into Staff Positions

Impact of hiring PERA Retirees

- The working retiree pays 10% to PERA that does not contribute towards the retiree's PERA account
- The department pays to PERA (as for any other PERA employee) the amount listed below that does not contribute towards the retiree's PERA account

| Start Date | Statutory Employer Contribution | AED | SAED | Total Employer Contribution % for Year |
|------------|---------------------------------|-----|------|--|
| July 2020 | 10.9% | 5% | 5% | 20.9% |

AED – Amortization Equalization Disbursement

SAED – Supplemental Amortization Equalization Disbursement

- The working retiree can only work 110 days or 720 hours per calendar year or will be required to pay PERA a penalty (each campus can designate 10 retirees for up to 140 days or 916 hours on an annual basis).
- Departments cannot hire working retirees through a temporary agency to circumvent the PERA restrictions—the PERA rules on working retirees apply to any employment, including employment as an independent contractor.
- If the working retiree chooses to rescind retirement and work at CU in a regular job, the rescission must occur for both PERA and CU retirement.
- It is the employee's responsibility to confer with Employee Services and PERA to understand the implications of working as a PERA retiree (length of service, impact on PERA benefits, etc.).
- Campus HR offices are responsible for providing a list of their 140-day/916-hrs working PERA Retirees to Employee Services by March 1 annually for submission to PERA.

Rate Calculations for PERA Retirees Working in University Staff Positions at CU

| 110-Day/720-hrs or 140-Day/916-hrs Daily Rate (Job Code 2583, coded as Daily) |
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| Working at least 8 hours per day, no additional compensation for exceeding 8 hours per day |
| 100% annual salary of position/260 days = \$salary/day |
| \$salary/day * days worked |
| Example: Market pay for full-time position is \$60,000/year. |
| \$60,000/ 260 days = \$230.80/day |

Market pay is determined by campus HR offices

| 110-Day/720-hrs or 140-Day/916-hrs Hourly Rate (Job Code 2583, coded as Hourly) |
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| Is Eligible for overtime (time and a half for hours worked exceeding 40 hours in a week) |
| 100% annual salary of position/2080 hours = \$salary/hour |
| \$salary/hour * hours worked |
| Example: Market pay for full-time position is \$60,000/year. |
| \$60,000/ 2080 hours = \$28.85/hour |

Market pay is determined by campus HR offices