**Procedures for Hiring Working PERA Retirees into Staff Positions**

**Impact of hiring PERA Retirees**

* The working retiree pays 8% 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** |
| Jan 2017 | 10.15% | 3.8% | 3.5% | 20.15% |

AED – Amortization Equalization Disbursement

SAED – Supplemental Amortization Equalization Disbursement

* The working retiree can only work 110 days per calendar year or will be required to pay PERA a penalty (each campus can designate 10 retirees for up to 140 days 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 working PERA Retirees to Employee Services by September 1 annually for submission to PERA.

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

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| **110-Day or 140-Day Daily Rate (Job Code 2583, coded as Daily)** |
| 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*

|  |
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| **110-Day or 140-Day Hourly Rate (Job Code 2583, coded as Hourly)** |
| 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*