

Hiring Working PERA Retirees Into Staff Positions

Department Reference Guide

The following reference guide outlines the [APS 5054 Hiring Retirees to Work in Staff Positions](#) guidelines for hiring PERA retirees into staff positions to assist university departments and business partners in demonstrating employer responsibility and provide clarity and consistency when hiring PERA retirees to work in staff positions. Hiring PERA retirees outside of these guidelines may have negative or complex effects on a PERA retiree's benefits, PERA Retirement Plan or reduce social security benefits.

- **PERA retiree** refers to PERA plan participants who have retired from both PERA and the university. If a PERA retiree returns to the university, they are considered a *working PERA retiree*.
- It is the employee's responsibility to confer with both Employee Services (303-860-4200, option 3 or benefits@cu.edu) and PERA (www.copera.org) to understand the implications of working as a PERA retiree (length of service, impact on PERA benefits, etc).

Guidelines

Refer to [APS 5054 Hiring Retirees to Work in Staff Positions](#) for full details.

CU retirees may be hired into positions under the following conditions:

- appointments can be university or classified staff positions
- appointments are limited to 9-month, 12-month or defined project period
- all appointments must be reviewed by the applicable human resources department at the end of each period

Appointments may:

- Train, cross-train, transfer knowledge or act in a short-term mentoring role for a new incumbent
- Fill a position that is defined as non-supervisory* and part-time
- Fill a position on a unique and non-recurring project
- Provide specialized knowledge or fill a specialized role
- Fill an interim vacancy
- Fill a role deemed necessary by the Chancellor of a campus or the President of the System

*Extraordinary situations where a retiree is asked to assume supervisory responsibilities for a limited period of time may be allowed. [Refer to APS 5054.](#)

Working Retiree Staff Appointment Options

When PERA participant retires from the university and is hired back to the university as a *working retiree*, there are **two job codes** that can be used. *Working retiree* positions should not contain any other job codes. Refer to the appropriate HCM resource for [creating a new position](#) or [updating an existing position](#) to ensure the correct job code is used. Incorrect job codes for *working retirees* can have detrimental effects on retiree benefits, retirement distributions and social security.

Job Code	Title	Definition	Defined by State Personnel System	Position Type	Rate of Pay
2583	Working PERA Retiree*	Professional University Staff	NO	Temporary	Daily rate or Hourly Rate
P1A1XX	Temporary Aide	Classified staff, non-professional	Yes	Temporary	Hourly Rate
Regular classified staff titles were grandfathered in on January 1, 2014 and are listed here for reference for existing employees. They are no longer be used to hire working retirees					
Other Classified Staff Code	Classified Staff Title	Classified staff, non-professional	Yes	Regular	Varies

*Working PERA retirees may have working titles that are reflective of the duties being performed but only job 2583 can be entered into HCM.

Working PERA Retiree and PERA Retirement

- The working retiree pays 10.50% to PERA. Contributions do not go towards the retiree's PERA account*.
- The department pays to PERA (as for any other PERA employee) the amount listed below. Contributions do not go towards the retiree's PERA account*.

*contributions to PERA are paid into a general PERA fund

Start Date	Statutory Employer Contribution	AED*	SAED**	Total Employer Contribution % for Year
January 2022	11%	5%	5%	21%

*AED – Amortization Equalization Disbursement

**SAED – Supplemental Amortization Equalization Disbursement

- The working retiree is limited to 110 days or 720 hours of work per calendar year. If limit is exceeded, PERA will reduce the retiree's benefit.
- If a PERA retiree returns to work during the effective month of retirement, the retiree will be subject to additional rules and a reduction in their benefit. PERA retirees are not allowed to work on the first business day of the month that their retirement is effective.
- Each campus may designate 10 PERA retirees who are permitted to work up to 140 days or 916 hours per calendar year without a reduction in their benefits.
- Campus HR offices are responsible for providing a list of their 140 days/916 hours working PERA retirees to Employee Services (EmployeeServices@cu.edu) by March 1 each year.
- 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.). For more information go to PERA's [Working After Retirement website](#).

Rate Calculations for PERA Retirees Working in University Staff Positions at CU	
Not overtime eligible	Overtime eligible
<ul style="list-style-type: none"> • 110-Day/720hrs or 140-Day/916 hrs 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 x days worked 	<ul style="list-style-type: none"> • 110-Day/720hrs or 140-Day/916 hrs hourly rate (Job Code 2583, coded as hourly) • 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 x hours worked
Example: Market pay* for full-time position is \$60,000/year \$60,000/260 days = \$230.80/day	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

Working PERA Retiree – Effects on Retiree Benefits

PERA retirees may be eligible for **retiree benefits** and should schedule a retiree benefit consultation with Employee Services three months prior to retiring from the university to ensure eligibility and enrollment in retiree benefits and for final contributions to retirement plans. Please refer employees to [Retirement Ready](#) resources for essential information.

Working PERA retirees in temporary staff positions:

- may be eligible for retiree benefits (contact Employee Services 303-860-4200 options 3 or benefits@cu.edu)
- are not eligible for regular employee benefits
- are not eligible to accrue vacation or sick leave
- are not eligible for merit increases (performance plans and evaluations are not required, but recommended)
- are not eligible for tuition benefit
- are not allowed to volunteer time performing same duties as employment

Working PERA Retirees cannot be hired into regular classified positions. *Working PERA retirees* in regular classified positions were grandfathered in on January 2, 2014. Employees in these positions prior to January 2, 2014 were:

- eligible for State of Colorado employee benefits (contact PERA for information www.copera.org)
- may be eligible for retiree benefits (contact Employee Services 303-860-4200 options 3 or benefits@cu.edu)
- eligible to earn vacation and sick leave
- eligible for merit increases, and performance plans and evaluations are required
- eligible for tuition benefit

Working PERA Retiree – Effects of Social Security

- Working PERA Retirees may experience a reduction in Social Security benefits.
- Employees should contact Social Security Administration for more information about their Social Security benefits www.ssa.gov.