



ADMINISTRATIVE POLICY STATEMENT

Policy Title: Hiring Retirees to Work in Staff or Faculty Positions

APS Number: 5054

APS Functional Area: **HUMAN RESOURCES**

Brief Description:	This policy will assist departments when hiring retirees to work in staff or faculty positions at CU.
Effective:	March 1, 2023
Approved by:	President Todd Saliman
Responsible University Officer:	Chief Human Resources Officer and Associate Vice President of Employee Services
Responsible Office:	Chief Human Resources Officer and Associate Vice President of Employee Services
Policy Contact:	Chief Human Resources Officer and Associate Vice President of Employee Services
Supersedes:	Hiring Retirees to Work in Staff Positions, August 1, 2017
Last Reviewed/Updated:	March 1, 2023
Applies to:	Departments that hire retirees to work in staff or faculty positions and retirees working in staff or faculty positions.

Reason for Policy: Allows CU to demonstrate employee and employer responsibility and provide clarity and consistency to departments when hiring CU retirees or non-CU retirees to work in staff or faculty positions.

I. POLICY STATEMENT

- A. The hiring of CU retirees (employees who have officially retired from the university) includes both Colorado Public Employee Retirement Association (PERA) and Optional Retirement Plan (ORP) retirees, needs to be coordinated for retiree health/dental/life benefit purposes, and must be tracked appropriately.
 - 1. PERA Retiree: employees who have officially retired from PERA.
 - 2. ORP Retiree: employees who participated in the University of Colorado 401(a) Retirement Plan and have officially retired from the university.
- B. The use of working CU retirees should not be a long-term replacement for regular, full-time positions. There is no limit on how many years a CU retiree can perform in temporary, part-time positions.
- C. CU retirees may be hired into temporary university staff, temporary research faculty, or temporary faculty positions (see table in section I.I - Appointment Options for CU Retirees).
- D. Non-PERA Retirees from other institutions or companies can be hired with no restrictions and are not subject to this policy.
- E. PERA retirees from other PERA employers are restricted to the 110 day/720 hour per calendar year rule and are subject to this policy.

- F. Appointments may be used to:
1. train, cross-train, transfer knowledge, or act in a short-term mentoring role for a new incumbent;
 2. fill a position that is defined as part time and does not supervise full-time employees;
 - While retirees are generally not appointed to supervisory positions for full-time staff, there may be situations where a retiree is asked to assume supervisory responsibilities for full-time employees for a limited period.
 3. fill a position on a unique and non-recurring project;
 4. provide specialized knowledge or fill a specialized role; or
 5. fill an interim vacancy.
- G. Hiring any retiree (CU retiree or non-CU retiree) who is also a PERA retiree as an employee or contract worker results in certain complexities based on C.R.S. § 24-51-1101:
1. It is the employee/contract worker’s responsibility to confer with Employee Services and PERA to understand calculating time worked.
 - a. See [Reference Guide: Hiring Working PERA Retirees](#) for information on calculating daily and hourly time worked for PERA retirees working for the university.
 2. Contributions¹
 - a. The working PERA retiree is required to pay a working retiree contribution equal to the member contribution rate, which will be deducted from the working retiree’s pay as a pre-tax contribution. Contract worker’s PERA contributions are deducted from the member’s PERA monthly retirement benefit that is received from PERA. It is the contract worker’s obligation to notify PERA of their compensation.
 - b. The department is required to pay employer contributions.
 - c. The working retiree contribution does not accrue an additional benefit. The working retiree is not eligible for a refund of these contributions.
 - d. Upon termination of such retiree’s employment, there shall be no benefit calculation reflecting additional service credit or any increase in the highest average salary of such person.
 3. Days worked
 - a. The working PERA retiree can work a maximum of 110 days or 720 hours per calendar year. If that retiree works more than 110 days or 720 hours, PERA will reduce the retiree’s monthly pension by a formula-set percentage. Independent contractors are not subject to the work limits; however, they are subject to contributions. Refer to PERA’s publication “[Working After Retirement for a PERA Employer as an Independent Contractor or Through an Affiliated Party](#).”
 - b. Each campus and system administration can designate 10 PERA retirees to work for a maximum of 140 days or 916 hours per calendar year, through the campus’ defined approval process.
 - This process occurs in January each year and must renew each calendar year. A working retiree can be added to the 140-day list throughout the calendar year if their retirement date is after the submission deadline.
 - c. It is the retiree’s responsibility to track days worked under PERA rules.
 - NOTE: *If you fail to submit any of the forms as required by PERA or provide PERA with false information, PERA may suspend your retirement and take legal action to recover unearned benefit payments and interest.*
 4. Departments cannot hire PERA 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.
 5. If the working PERA retiree chooses to suspend retirement and work at CU in a regular position, the suspension must occur for both PERA and CU retirement (if the PERA retiree also retired from CU).

¹ The contributions to PERA are paid into a general PERA fund.

H. Hiring ORP Retirees may result in certain complexities and constraints. It is the retiree’s responsibility to understand these constraints:

1. Working after retirement may affect:
 - a. distributions from CU retirement funds. It is the retiree’s responsibility to confer with Employee Services and TIAA;
 - b. distributions from other non-CU retirement plans; and
 - c. Social Security benefits.
2. ORP Retirees subject to an Early Retirement Incentive Agreement may be subject to additional constraints and should check their Agreement prior to working after retirement.

I. Appointment options for CU retirees.

If a CU retiree is hired into an erroneous job code, Employee Services will work with the appropriate campus HR office to correct the appointment.

Job Code	Title	Job Category	Utilization	Position Type	Rate of Pay
1610	Working PERA Retiree – Staff	University Staff	Required for all CU Retirees with PERA retirement Optimal for all PERA Retirees from a different PERA employer	Temporary	Hourly Rate
1611	Working ORP Retiree – Staff	University Staff	Required for all CU Retirees with CU ORP retirement	Temporary	Hourly Rate
1620	Working PERA Retiree - Faculty	Faculty	Required for all CU Retirees with PERA retirement Optimal for all PERA Retirees from a different PERA employer	Temporary	Hourly Rate/ Contract/ Monthly
1621	Working ORP Retiree - Faculty	Faculty	Required for all CU Retirees with CU ORP retirement	Temporary	Hourly Rate/ Contract/ Monthly
1630	Working PERA Retiree – Faculty Research	Research Faculty	Required for all CU Retirees with PERA retirement Optimal for all PERA Retirees from a different PERA employer	Temporary	Hourly Rate/ Contract/ Monthly
1631	Working ORP Retiree – Faculty Research	Research Faculty	Required for all CU Retirees with CU ORP retirement	Temporary	Hourly Rate/ Contract/ Monthly

J. Appointment options for retirees from other Non-PERA institutions or companies.

1. Specific requirements are based on university policies and state personnel rules, dependent on job code.
2. There are no restrictions as to which job code retirees from other Non-PERA institutions or companies can be hired.
3. Retirees from different PERA employers (see section I.G) have limitations on how much they may work in a calendar year.

- K. Benefits and HR processes for CU Retirees working in temporary staff, temporary research, or temporary faculty positions.
1. If a CU Retiree is enrolled in retiree CU medical, dental or life plans, retiree benefits will continue.
 - Temporary employees may become eligible for employee medical benefits if they meet the Affordable Care Act (ACA) requirements.
 2. CU Retirees are eligible to contribute to the voluntary retirement plans (403(b), 457, or 401(k)).
 3. CU Retirees may have working titles that are reflective of the duties being performed (job code reflects formal title of Working Retiree).
 4. CU Retirees are not eligible to accrue vacation leave.
 5. CU Retirees are eligible for sick leave provided to temporary employees.
 6. CU Retirees are not eligible for annual merit increases.
 - Pay adjustments are allowed upon review of appointment and should be evaluated by Human Resources to ensure alignment under the Equal Pay for Equal Work Act (EPEWA).
 7. Performance plans and evaluations are not required but recommended.
 8. CU Retirees are not eligible for the tuition benefit.
 9. CU Retirees are not allowed to volunteer time performing same duties as employment.
 10. All hourly CU Retirees are required to track time in the timekeeping system used by the department, and the department must process the biweekly payroll through time collection.

II. RELATED POLICIES, PROCEDURES, FORMS, GUIDELINES, AND OTHER RESOURCES

- A. [Reference Guide: Hiring Working PERA Retirees.](#)
- B. [Working After Retirement](#) published by PERA.
- C. [Working After Retirement for a PERA Employer as an Independent Contractor or Through an Affiliated Party](#) published by PERA
- D. [C.R.S. § 24-51-1101.](#)

III. HISTORY

- Adopted: January 1, 2014.
- Revised: August 1, 2017; August 30, 2021, non-substantive changes were made to this APS; March 1, 2023; June 26, 2023, Job Codes 1630 and 1631 added to Appointment Options table.
- Last Reviewed: March 1, 2023.

IV. KEY WORDS

PERA retiree, retiree, hiring, hire, ORP retiree, staff, faculty, working retiree.