Procedures for Hiring Working PERA Retirees into Staff Positions

Effective January 1, 2014

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

<table>
<thead>
<tr>
<th>Start Date</th>
<th>Statutory Employer Contribution</th>
<th>AED</th>
<th>SAED</th>
<th>Total Employer Contribution % for Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 2014</td>
<td>10.15%</td>
<td>3.8%</td>
<td>3.5%</td>
<td>17.45%</td>
</tr>
<tr>
<td>Jan 2015</td>
<td>10.15%</td>
<td>4.2%</td>
<td>4.0%</td>
<td>18.35%</td>
</tr>
<tr>
<td>Jan 2016</td>
<td>10.15%</td>
<td>4.6%</td>
<td>4.5%</td>
<td>19.25%</td>
</tr>
<tr>
<td>Jan 2017</td>
<td>10.15%</td>
<td>5.0%</td>
<td>5.0%</td>
<td>20.15%</td>
</tr>
</tbody>
</table>

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 hire 10 retirees for up to 140 days)
• 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.)

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

110-Day or 140-Day Daily Rate (Job Code 2583)
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 or 140-Day Hourly Rate (Job Code 2583N)
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