



Medical College of Georgia

Administrative  
Policy Library

## **Employment Beyond Retirement**

### **CITATION REFERENCE**

**Official Title:** Employment Beyond Retirement

**Abbreviated Title:** Employment Beyond Retirement

**Volume:** Senior Vice President for Finance & Administration

**Responsible Office:** Human Resources

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**Revised:** March, 2009

### **Policy Statement**

Individuals retired from the Medical College of Georgia or another institution within the University System of Georgia and receiving or eligible to receive benefits from the Teachers Retirement System of Georgia (TRSGA), the Employees Retirement System of Georgia (ERS), or the Optional Retirement Plan (ORP) may only be re-employed by the Medical College of Georgia under certain conditions and only after having received the prior approval of the President of the Medical College of Georgia or designee, and TRS or ERS, if applicable.

### **Reason For Policy**

To establish the policy for the rehiring of individuals who have retired from MCG or the University System of Georgia, or who have retired from another State of Georgia entity and are receiving or are eligible to receive a retirement benefit from the Teachers Retirement System of Georgia (TRSGA). This policy also clarifies that the prior approval of the TRSGA is required for those TRSGA retirees who choose to return to work, and includes rehire arrangements when the retiree is being re-engaged as a contractor or resuming employment through a temporary agency.

### **Entities Affected By This Policy**

All units of the Medical College of Georgia are covered by this policy; any retiree of MCG or the USG or any person receiving or eligible to receive retirement benefits from the TRSGA and ORP who chooses to return to work with MCG or the USG is also covered by this policy and is expected to disclose his/her status as a retiree and adhere to the TRSGA or ERS requirements, if applicable.

### **Who Should Read This Policy**

All department managers should be aware of this policy. MCG and USG retirees and persons receiving or eligible to receive retirement benefits from TRSGA, ERS or ORP who may be considering a return to work with MCG or a USG employer.

## Contacts

Contact	Phone	e-mail/URL
Associate Vice President for Human Resources	706.721.3777	<a href="mailto:snorton@mcg.edu">snorton@mcg.edu</a>
Assistant Director/Benefits & Data Management	706.721.3770	<a href="mailto:priley@mcg.edu">priley@mcg.edu</a>

## Website Address For This Policy

[www.mcg.edu/policies/documents/employbydretirement.pdf](http://www.mcg.edu/policies/documents/employbydretirement.pdf)

## Related Documents

BOR Policy 802.0903

[www.trsga.com](http://www.trsga.com)

## Definitions

These definitions apply to these terms as they are used in this policy:

Annual Benefit Base Compensation Amount – An employee’s base salary.

The annual benefit base compensation does not include compensation earned as additional pay, extra duty pay, overtime, on-call pay, shift differential pay, pay incentives, etc.

Fiscal Year – A twelve month period for calculating annual financial statements used in business and organizations that differs from the traditional calendar year. The Medical College of Georgia’s fiscal year begins on the first day of July and ends on the last day of June.

Retiree – Any person who has retired from the Medical College of Georgia or another institution of the University System of Georgia under the criteria established by Board of Regents policy, Section 802.0902, and any person who has retired and who is receiving or is eligible to receive retirement benefits from TRSGA, ERS, or ORP.

## Overview

This policy establishes parameters within which a retiree of the University System of Georgia may return to work within the University System of Georgia, including limitations that may be necessary for compliance with the policies of the Teachers Retirement System of Georgia.

When an individual retires from the Medical College of Georgia or another institution within the University System of Georgia and is receiving or is eligible to receive benefits from the Teachers Retirement System, the Employees Retirement System, or the Regent’s Retirement Plan, he/she shall not be reemployed by the Medical College of Georgia without the prior approval of the President of MCG or designee. When an employee has retired from the University System of Georgia, he/she may be reemployed

by MCG or other institution within the University System of Georgia under the following conditions:

- The reemployment of a University System of Georgia retiree must be approved by the President of the hiring institution;
- A rehired retiree must have a minimum break of 30 days between the effective date of his/her retirement and the effective date of his/her reemployment;
- The work commitment of a rehired retiree must be less than half-time; i.e., less than 50%;
- The salary that is paid to a rehired retiree must be either:
  - 49% or less of the annual benefit-base compensation amount that he/she was earning at the time of his/her retirement, with consideration for the average merit increase percentages that have been applied since the employee retired, or;
  - 49% or less of the average compensation for the position into which the retiree is being hired based on the institution's existing compensation plan, or, if not applicable, the average compensation of existing or previous incumbents; or
  - 49% or less of a reasonable market competitive rate for the position into which the retiree is being rehired as determined by the institutional chief human resources officer; and
- The salary that is paid to a rehired retiree must be consistent with his/her work commitment.

Re-employment following retirement will always be in a temporary non-benefits eligible position. The temporary period must be defined as part of the request to rehire.

Persons who retired under MCG's Early Retirement Program as approved by the Board of Regents in 2000 are not eligible for re-employment except in exceptional circumstances when approved by the Provost for faculty positions and the Associate Vice President for Human Resources for non-faculty positions.

Retirees with TRSGA as their Retirement Plan - When the USG retiree is receiving benefits as a retiree of the Teachers Retirement System of Georgia or the person to be hired is a retiree under TRSGA but retired from another state entity, MCG Human Resources must secure the approval of TRSGA **prior** to the retiree resuming work to ensure that the retiree's retirement benefit under TRSGA is not in jeopardy. Failure to ensure that the terms of a retiree's reemployment comply with TRSGA policy may result in repayment obligations to TRSGA.

**Process/Procedures**

When rehiring a retiree, the department is expected to:

- Coordinate with Human Resources to ensure accurate classification of a vacant rehired retiree position. All rehired retiree positions will have a BCAT with a fourth character of “Z”.
- Originate an ePAR “Request Non-Classified Hire” transaction to hire the retiree. Departments must ensure that the ePAR transaction is originated within a timeframe that allows for the transaction to successfully route through the approval process and be received by HR no later than 45 days prior to the estimated hire date.
  - 1) The rehired retiree employment period must be clearly defined in the comments section of the ePAR and cannot exceed the last day of the current fiscal year.
  - 2) The ePAR should be routed for all required departmental, institutional, presidential and budgetary approvals and then to HR for approval.

NOTE: Departments must request re-appointment annually for rehired retirees by following the same process outlined above. All ePAR hire transactions for retiree re-appointments are due to Human Resources no later than May 15.

HR is expected to:

- Verify that all required departmental and institutional approvals have been obtained and request additional approval(s) as necessary.
- Upon verification and/or receipt of all required approvals, the ePAR transaction will be processed and the hire entered into the system. All rehired retiree appointments, regardless of start date, will terminate on the last day of the current fiscal year.
- Secure TRSGA approval for the rehire, if the retiree to be rehired is receiving retirement benefits from TRSGA, and/or,

**Responsibilities**

The responsibilities each party has in connection with the *Employment Beyond Retirement* policy, are:

(Party)	(Responsibility)
Associate Vice President for Human Resources	Responsible for adoption, oversight and updates for this policy
Human Resources Benefits & Data Management Staff	Responsible for providing information to departments and/or retirees regarding policy; verifying that all employment conditions have been met and required approvals secured. Responsible for requesting and obtaining TRSGA or ERS approval prior to the retiree resuming work, and ensuring that the terms of the appointment are in accordance with TRSGA

	or ERS rules.
Department Managers	Responsible for ensuring that no retiree is re-employed without complying with this policy.
All Medical College of Georgia faculty, employees, and rehired retirees	Responsible for adhering to the Administrative Policies of the Medical College of Georgia.

**Forms**

N/A

**Appendices**

N/A