

PROCEDURE TITLE:	POST-RETIREMENT RE-EMPLOYMENT OF RETIRING ADMINISTRATORS OR ADMINISTRATIVE TECHNICAL SUPPORT STAFF (ATSS)
PROCEDURE NO.:	4.77:1
RELATED POLICY:	4.77
PAGE NO.:	1 OF 7
RESPONSIBLE ADMINISTRATOR(S):	HUMAN RESOURCES/VPF&A
EFFECTIVE DATE:	05/02/14
NEXT REVIEW DATE:	05/2019
APPROVED BY:	PRESIDENT

1.0 PURPOSE

- 1.1 Shawnee State University is realizing high numbers of retirements of key employees as predicted nationally in higher education. As a result, it is prudent for the University to establish multiple avenues to meet its manpower needs for the future. The ultimate objective is to recruit highly qualified replacements, which requires the concentrated dedication of remaining personnel. Often times this creates potential service problems and impacts initiatives essential for growth. A viable solution is to supplement external recruitment efforts with planned strategic re-employment of retiring personnel that possess essential skills and experience and are willing to continue to work after retirement.
- 1.2 The consideration of re-employing retiring administrators and ATSS post retirement as provided by these procedures will be for the express purposes of: maintaining continuity during organizational transitions; assuring successful completion of major initiatives and significant projects; and development of staff to ensure delivery of essential services. These procedures provide a consistent methodology for considering the re-employment of retiring administrators and ATSS post retirement.
- 1.3 The University has the sole discretion to determine whether re-employment of a retiring employee post retirement is the best solution to sustain and advance the University's operational needs. These procedures are applicable only in instances in which a retiring SSU administrator or ATSS is asked prior to his/her effective retirement date to consider re-employment after retirement.

- 1.4 An SSU retiree who is in retirement status will be subject to these procedures if s/he is re-employed by the University to fill a vacated position without participating in a competitive search.
 - 1.5 An SSU retiree, who applies for an approved vacated position through a competitive search process, is governed by the University's standard employment procedures and guidelines. If the retiree is selected through the competitive search process, his/her employment is not subject to these procedures.
- 2.0 RE-EMPLOYMENT OF AN ADMINISTRATOR/ATSS RETIREE INTO THE SAME POSITION THE INDIVIDUAL HELD IMMEDIATELY PRIOR TO RETIREMENT
- 2.1 Administrators and ATSS who retire from the University through a state retirement system or the Alternative Retirement Plan (ARP) may be eligible to be rehired into the same position the individual held immediately prior to retirement without going through a competitive search process, in accordance with the requirements identified below:
 - 2.1.1 The recommendation to fill the vacated position must be approved by the President.
 - 2.1.2 Approval to re-hire an administrator or ATSS retiree into the same position without a competitive search shall be based upon the continuing availability of the position and the need for the retired employee's particular expertise, skills and knowledge.
 - 2.1.3 The Ohio public pension system requires a two-month (full calendar months) break in employment between the retirement date and the re-employment date to prevent forfeiture of retirement benefits for any month worked in Ohio public employment during the first two months of retirement. For example, if a person retires from Shawnee State June 6, s/he becomes a retiree beginning July 1. S/he should not return to work in the University or other Ohio public employment until September 1.
 - 2.1.3.1 A retiree who elects to voluntarily return to SSU prior to the completion of the state-mandated two-month period will forfeit retirement benefits in accordance with the applicable pension system. This requirement does not apply to those participating in an Alternative Retirement Plan.

2.1.4 The approval to re-hire retiring administrators or ATSS under these procedures will generally be for a short-term duration to complete major projects, provide essential transitional support/services, or fill unique and specialized needs of the University.

2.1.4.1 The re-employment contract will be for the duration of up to one year and may be extended up to an additional year, with the President's prior approval.

2.1.4.2 The hiring unit director must provide written justification to the appropriate vice president with objective supporting evidence for the continuation of employment beyond the second year including a longer-term succession plan (e.g., plan for hiring a new employee in the area, plan for filling a vacated administrative/ATSS position, etc.). Such action shall be due to compelling circumstance and requires the President's prior approval.

2.1.5 The re-employment salary/wage rate in these instances will generally be comparable to the established hiring range for regular appointments and in line with market comparisons.

3.0 RE-EMPLOYMENT OF AN ADMINISTRATOR/ATSS RETIREE INTO A POSITION OTHER THAN THE ONE HELD IMMEDIATELY PRIOR TO RETIREMENT

3.1 Administrators and ATSS who retire from the University through a state retirement system or the Alternative Retirement Plan (ARP) are eligible to be hired into a position other than the one the individual held immediately prior to retirement in accordance with University Procedure 5.01:1 and consistent with the requirements identified herein.

3.1.1 In all instances of re-employment (with or without a competitive search), a retiree must adhere to the applicable pension system requirements.

3.1.2 For state pension system participants, a two-month (full calendar months) break in employment is required to prevent forfeiture of retirement benefits for any month worked in Ohio public employment during the first two months of retirement.

3.1.2.1 If a person retires from Shawnee State June 6, s/he becomes a retiree with the systems beginning July 1. S/he should not

return to Ohio public employment/SSU until September 1. (For STRS, additional requirement to have a one-work day break – see Section Four: Additional Considerations).

3.1.2.2 If the individual opts to return to SSU prior to the completion of the two-month period and the approvals are granted for such return, the individual will forfeit retirement benefits in accordance with applicable pension system rules.

3.1.2.3 This requirement does not apply to Alternative Retirement Plan participants.

3.1.3 The re-employment salary/wage rate will generally be comparable to the established hiring range for regular appointments and in line with market comparisons.

4.0 PROCESS TO INITIATE CONSIDERATION FOR RETIREE RE-EMPLOYMENT

- 4.1 Employees should notify the Human Resource Department in writing at least sixty days (60) prior to the scheduled retirement date. Written notice must include the effective date of retirement.
- 4.2 Within ten (10) workdays of being notified, the hiring department director should submit a request to rehire a retiree to the appropriate vice president or president. Requests are made using the Request to Rehire Retiree form and should include a rationale for the request.
- 4.3 The request to rehire a retiree must be approved by the President or designee before an offer of re-employment is extended. The hiring department director should extend the offer of re-employment to the employee within ten (10) workdays of receiving approval. Likewise, the employee's decision to accept a post retirement offer is expected within ten (10) workdays of the offer.
- 4.4 Post-retirement re-employment will be contingent upon official notification from the state retirement system (if applicable) and sufficient justification addressing the following: the prior-approved continuing availability of the position by the President, the scope and purpose of the position, operational needs that require the individual's specialized skills and experience, possible cost savings, evidence of the individual's exemplary performance and capability, and why the position cannot or should not be filled through a search process.

- 4.5 For a Vice President position (or any other position customarily filled by a vote of the Board of Trustees), re-employment will include compliance with the Ohio Revised Code (O.R.C) Section 145.381 when considering the re-employment of an OPERS retiree in a position that is customarily filled by a vote of the Board of Trustees.
- 4.6 Upon approval of the request for post-retirement re-employment, Human Resources will initiate an appointment letter in accordance with the applicable employment terms and conditions. The appointment letter will address the rules regarding forfeiture of state retirement benefits when re-employment is requested to begin during the first two months of retirement.

5.0 ADDITIONAL CONSIDERATIONS

5.1 Retirement Benefits

- 5.1.1 Any retiree that returns to the University immediately, without the two month break in service, will forfeit their retirement system benefit for any month worked in Ohio public employment during the first two months of retirement in accordance with the applicable pension system.
- 5.1.2 For STRS retirees only: STRS requires all faculty to have a minimum one-work day break between the last day of employment as a faculty member and the first day of employment as a re-employed retiree. This one-work day break must be the last workday of the month before the service retirement date or the first workday of the retirement month. The one-day break must be a regular workday and cannot be a weekend or holiday. For example:
- 5.1.2.1 Employee retires on Friday, May 31
- 5.1.2.2 Retiree must have a one-day break in employment on a workday, Monday, June 3
- 5.1.2.3 Retiree can be rehired effective Tuesday, June 4.
- 5.1.3 Participants in alternative retirement programs (ARP) are encouraged to check with their vendor to determine whether their separation from the University is a distributable event and any other requirements.

5.2 Post-Retirement Contributions

- 5.2.1 Members continuing public employment after retirement, and their employers, both contribute to the applicable Ohio public retirement system. Options as a retiree are different from a regular employee. The retiree is responsible for understanding these differences.
- 5.2.2 For STRS retirees only: these contributions fund a benefit that you may collect as a lump-sum payment the first of the month following your last day of service or 12 months after the payment of a previous re-employed retiree benefit payment, whichever is later.
- 5.2.3 Participants in alternative retirement programs (ARP) must continue in the program upon re-employment, unless the employee terminates employment and does not return to employment in any position for at least three hundred sixty-five days after the date of termination.

5.3 Medical Coverage

5.3.1 Ohio Public Employees Retirement System (OPERS)

- 5.3.1.1 If a person goes back to work in an OPERS-covered position, s/he must enroll in her/his employer's health plan if the employer offers a health plan to other employees in similar positions. S/he cannot waive the employer's plan unless s/he has other health coverage that will pay first, before the OPERS health plan.
- 5.3.1.2 A change in health care eligibility requirements will begin January 1, 2015. This means, if a person's effective date for retirement is January 1, 2015 or later, s/he must have at least 20 years of qualifying service and be age 60 or have 30 or more years of qualifying service at any age to qualify for OPERS health care coverage. Those in Group B (Eligible to retire between January 7, 2018 and January 7, 2023) will need 31 years of service and those in Group C (Eligible to retire after January 7, 2023) will need 32 years of service.
- 5.3.1.3 Changes to applicable service credit for health care eligibility took effect January 1, 2014. This means any noncontributing service a person may have purchased will not apply to the person's health care eligibility nor will it apply in determining

the person's health care allowance if the effective date for retirement is January 1, 2014 or later.

5.3.1.4 For more information, contact OPERS toll-free at 1-800-222-PERS (7377).

5.3.2 State Teachers Retirement System (STRS)

5.3.2.1 STRS Ohio limits coverage for the STRS Ohio Health Care Program (medical, dental and vision plans) to STRS Ohio retirees who are re-employed in a public or private position. Effective January 1, 2009, STRS Ohio provides only secondary health care coverage to non-Medicare retirees who are re-employed in a public or private position, regardless of their hire date, if they:

5.3.2.1.1 Are eligible for health care coverage through their employer, or

5.3.2.1.2 Hold a position for which other comparable employees are eligible for health care coverage at the same cost as full-time employees.

5.3.2.1.3 For more information, contact STRS Member Services Center toll-free at 1-888-227-7877.

5.4 Vacation Leave Accrual

Re-employed retirees eligible to accrue vacation will accrue vacation based on their post-retirement rehire date. A re-employed retiree's prior service with the University, the State of Ohio, or any political subdivision of the State of Ohio does not count toward service credit.

5.5 Sick Leave

Re-employed retirees that received cash payouts upon retirement may accrue and use sick leave while actively employed but shall not convert to cash any unused sick leave balance at the time of a second retirement.

History

Effective: 05/02/14

Revised:

Reviewed: