

Working After Retirement and School Employer Responsibilities

Waiting Period

All KPERS retirees must wait 60 days to go back to work for any Retirement System employer. This includes teaching summer school.

Licensed School Professionals Can Retire Before June 30

- Do not withhold contributions from compensation that would normally have been paid in June, July or August.
- Refund employees any contributions that are withheld in error.
- Rules for when to include “add-on pay” apply.

For administrators who retire in June, and as a result, don’t complete their contract, do not include add-on pay in final KPERS contributions. Add-on pay is compensation for unused sick leave, annual leave, comp time, etc.

Temporary Earnings Limit Change

Sub House Bill 2333 has extended for another three years the 2009 legislation that temporarily lifted the \$20,000 earnings limit for some licensed school members returning to work for the same employer. Member must retire with “full” retirement. This includes the 85 point rule, age 62 with ten years of service and age 65 with one year of service. The earnings limit goes back into effect July 1, 2015.

Highlights

- Licensed and non-licensed positions are treated differently. If a licensed employee returns to work in a non-licensed position, he or she will be in the non-licensed category.
- Employees with early retirement and normal retirement are treated differently.
- Employers have reporting responsibilities and contributions if retirees return to work through a third-party entity.
- Compensation to any retiree returning to work in any licensed position, even those positions requiring less than 630 hours per year, are subject to the working after retirement contribution requirements. The only exceptions are substitute teachers and retirees who were first employed post-retirement by a different employer before July 1, 2006. Retirement date does not determine the exception. What matters is the date the member returned to work.

Contact KPERS



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Contribution Examples

- Example 1** Sue retired July 1, 2005, from USD #1. Sue returned to work for USD #2 on November 1, 2005. Employer does not make contributions.
- Example 2** Sue retired July 1, 2005, from USD #1. Sue returned to work for USD #2 on November 1, 2006. Employer makes contributions.

Employer Requirements

Important: One of the table columns is labeled “Return to Work Eligibility Date.” This is the date that a retiree first returns to work after retirement and the waiting period.

Non-Licensed Employee – Return to Work for *Same* Employer

	Return to Work Eligibility Date	Employer Reporting & Contributions	Earnings Limit
Normal Retirement & Early Retirement	On & after July 1, 1988	Report status & earnings	\$20,000

Non-Licensed Employee – Return to Work for *Different* Employer

	Return to Work Eligibility Date	Employer Reporting & Contributions		Earnings Limit
Normal Retirement & Early Retirement	Before July 1, 2006	Report status & earnings		None
	On & after July 1, 2006	Report status & earnings		None
		7/1/13 to 6/30/14	19.12%	
		7/1/14 to 6/30/15	19.41%	

Licensed Employee – Return to Work for *Same* Employer

	Return to Work Eligibility Date	When Compensation Paid	Employer Reporting & Contributions		Earnings Limit
Normal Retirement	Anytime	July 1, 2012, through June 30, 2015	Report status & earnings		None
			7/1/13 to 6/30/14	23.12%	
			7/1/14 to 6/30/15	23.41%	
Early Retirement	Before March 28, 2009	July 1, 2012, through June 30, 2015	Report status & earnings		None
			7/1/13 to 6/30/14	23.12%	
			7/1/14 to 6/30/15	23.41%	
	On & after March 28, 2009	July 1, 2012, through June 30, 2015	Report status & earnings		\$20,000

Licensed Employee – Return to Work for *Different* Employer

	Return to Work Eligibility Date	When Compensation Paid	Employer Reporting & Contributions		Earnings Limit
Normal Retirement	Before July 1, 2006	All dates	Report status & earnings		None
	July 1, 2006 through June 30, 2009	On & after July 1, 2012	Report status & earnings		None
			7/1/13 to 6/30/14	23.12%	
			7/1/14 to 6/30/15	23.41%	
	On & after July 1, 2009	July 1, 2012, through June 30, 2015	Report status & earnings		None
			7/1/13 to 6/30/14	23.12%	
			7/1/14 to 6/30/15	23.41%	
Early Retirement	Before July 1, 2006	All dates	Report status & earnings		None
	July 1, 2006 through March 28, 2009	On & after July 1, 2012	Report status & earnings		None
			7/1/13 to 6/30/14	23.12%	
			7/1/14 to 6/30/15	23.41%	
	On & after March 28, 2009	July 1, 2012, through June 30, 2015	Report status & earnings		None
			7/1/13 to 6/30/14	23.12%	
			7/1/14 to 6/30/15	23.41%	

Licensed Employee – Return to Work for *Third-Party Entity (TPE)* Employer

	Returned to Work Eligibility Date	When Compensation Paid	Employer Reporting & Contributions		Earnings Limit
Normal Retirement	USD contracts with TPE before April 1, 2009	All dates	None		None
	USD contracts with TPE on & after April 1, 2009	July 1, 2012, through June 30, 2015	Report status & earnings		None
			7/1/13 to 6/30/14	23.12%	
Early Retirement	USD contracts with TPE before April 1, 2009	All dates	None		None
	Same USD Employer contracts with TPE on & after April 1, 2009	July 1, 2012, through June 30, 2015	Report status & earnings		\$20,000
	Different USD Employer contracts with TPE on & after April 1, 2009	July 1, 2012, through June 30, 2015	Report status & earnings		None
			7/1/13 to 6/30/14	23.12%	
			7/1/14 to 6/30/15	23.41%	