

## **REHIRING RETIREES**

This process applies if the retiree is a part of MPSERS. However, if the retiree is a part of the Optional Retirement, then they can be hired through the regular hiring process

As many long term full-time and part-time employees have either retired or their retirement is pending this year, there may be a void left that must be filled in order to keep sections filled. To that end, this is the process that must be followed in the event a **MPSERS** retiree is rehired.

- 1. The supervisor completes an HR Termination Form to end the employee's employment at the college and sends the form to the HR Department for processing as soon as the employee gives notice that they are retiring.
  - a. The employee cannot work for the college during the first full calendar month of retirement (e.g. retirement date July 1, retiree can work August 1; retirement date September 1, retiree can work October 1.), even as a volunteer. Last date worked/resignation date must be prior to retirement date. A bona fide termination agreement must be processed severing the employee/employer relationship completely.
  - b. At the time of retirement, the employee cannot have a promise of reemployment or a contract for future employment in place to work in a Michigan public school reporting unit. MPSERS retirees must also follow the regulation in which he/she cannot work during the month of retirement prior to discussing any rehire agreements. All discussions/agreements to rehire a retiree must be made after the employee retires.
  - c. The college is not obligated to rehire a retired employee. This decision is made at the discretion of the department executive leadership and must be made based on needs of the college.
  - d. The supervisor completes the Supervisor's Separation Checklist on or before the employee's last day at work, collecting all college-owned materials. The supervisor sends the completed form to HR.
- 2. If a retiree is rehired, they must be hired for an open posting in Cornerstone.
  - a. Retiree must go to the LCC Employment site and apply for the open job posting.
  - b. If there is not an open job posting in Cornerstone, the department must proceed through the normal hiring process to get a position approved and created. See Request for Position Approval Form – New and Replacement by clicking here: <a href="Employment Employment">Employment</a>
     Forms
  - c. The department must follow the normal hiring process to fill the opening.

- d. Upon rehiring a retiree, the department completes an HR Action Form and sends it to HR for processing.
- 3. If retiree is rehired, they cannot earn more than one-third of their final average compensation for each calendar year. In the first year of retirement, the earnings limitation is prorated.
  - a. It is the retiree's responsibility to work with Office of Retirement Services (ORS) to determine the maximum dollar amount they may earn in order not to adversely impact their retirement benefits. Earning limitations can also be found on your miAccount.
  - Employees can monitor their year-to-date earnings by going to Employee
    Dashboard/Earnings/Earnings by Date Range or employees can log in to their personal
    ORS retirement account to locate his/her income that has been reported on a bi-weekly basis: miAccount.
  - If you plan on working after you retire, please go to <u>ORS Public School</u> <u>Employees/Working After Retirement</u> to learn more about employment and earnings restrictions.