

Hot Off The Press

REVISED VERSION: 10/10/2002

Working Retirees

There continues to be more and more retirees who come back to work, and various state agencies are increasing the reporting requirements associated with this group of 'employees' - the working retirees. A new reporting requirement implemented this fall was associated with the TRS 118 Report. This reporting requirement has been addressed through changes made to the BP8048 Working Retiree Report. Additionally, following the instructions below will exclude these individuals as errors on the Insurance Master Error Listing (BP8035).

The System Human Resources Office has been working with benefit processors throughout the system and has identified three categories of working retirees. They have also defined coding strategies that, if followed at your institution, will allow you to meet the various reporting requirements while reducing the number of error conditions that may be generated and reported through various B/P/P reports.

The three groups of working retirees are:

- A. Those who retired from a private firm and have come to work in the A&M System
- B. Those who retired from the A&M System
- C. Those who retired with either TRS or ORP but did not work previously in the A&M System

Group A: These individuals should be set up entirely as any other active employee, including the manner in which their insurance deductions are setup. Do not enter a retirement date.

Group B: This is the largest group of retirees. These individuals should be set up as working retirees with a 'W' status code on screen 101 and should keep their retiree benefits. Their insurance deduct codes should be either '4' or 'R', depending on whether or not they want to pay their premiums through a payroll deduction or through the insurance billing process. Their retirement plan deduct code on screen 104 should be either 'N' (the preferred code) or 'Y' WITH a valid stop date. The retirement date is required and the termination reason code should be '68' - Retirement. In the event an individual returns to work after their record has been purged from the B/P/P System, they may be treated as if they are in Group C or you may rebuild their record as if they are in Group B.

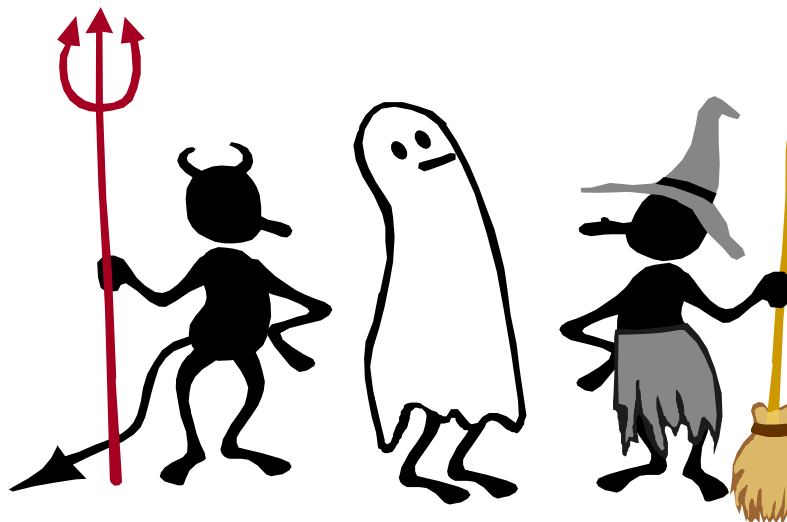
Group C: These individuals should be set up as active employees, but with a special retirement deduction code of 'R' on the Retirement Screen (104) in most cases. These are

individuals who worked in some capacity to earn a TRS or ORP retirement elsewhere, for example, through an independent school district or another institution of higher education. They are currently receiving their retirement income and have decided to return to the workforce. TRS retirees can no longer contribute to TRS after retirement. This group of working retirees should be entered with an 'R' in the TRS deduction code with a TRS start date using the TAMUS hire date. No TRS deductions will be made. ORP retirees who retired on or before June 1, 1997 are required to contribute to ORP if they are rehired. This very limited group of employees should be set up as if they were in Group A above. Otherwise, if no ORP deductions are to be made, enter an 'R' in the ORP deduction code, with a ORP start date using the TAMUS hire date and a carrier code of '998'.

Everyone in Group C should have an 'A' employee status code on screen 101. If they are eligible for our benefit programs (working 50% time or more for 4.5 months or more), coverage should be coordinated with their previous state employer. If TAMUS coverage is selected, these individuals should be set up with active employee deduct codes (1,2, or 3). A retirement date is not necessary for these individuals to be selected for inclusion on the Working Retiree Report (BP8048), however, if entered on screen 101, this date will be reported. This retirement date is helpful in determining the which employed retirees should be counted in the Area 1 of the TRS TRAQS Employment After Retirement Report for those employees who have retired from other institutions of higher education or from a local school district. This should make your report preparation much simpler, so please be advised to enter the date whenever you know it.

More Comment Lines Coming Soon

A comment line will soon be available on the Retirement Screen (104) in the Personnel Data Base Maintenance module of the B/P/P System.



Happy Halloween from BPP