

REVISED

Agenda Item No.

**AGENDA ITEM BRIEFING**

**Submitted by:** Phillip Ray, Vice Chancellor for Business Affairs  
The Texas A&M University System

**Subject:** Approval of Revisions to System Policies *31.07, Retirement,*

**Proposed Board Action:**

Approve revisions to System Policies *31.07, Retirement.*

**Background Information:**

This agenda item proposes revisions to policy *31.07, Retirement* in response to its routine, five-year certification review. Revisions include the deletion of sections 2.1 through 2.3 as State and Federal laws already provide guidance for mandatory retirement age, and a reference to system authority under these laws is included in Section 1. Section 2.4, addressing employment after retirement, will be renumbered as a new Section 2. The contact office was updated to include Human Resources as a contact office. Other non-substantive revisions include minor stylistic-type edits.

**A&M System Funding or Other Financial Implications:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

The board's adoption, maintenance and revision of system policies advances all eight Strategic Plan Imperatives by providing policy direction to the member institutions and agencies.

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Agenda Item No.

**THE TEXAS A&M UNIVERSITY SYSTEM**  
Office of the Vice Chancellor for Business Affairs  
May 1, 2024

Members, Board of Regents  
The Texas A&M University System

Subject: Approval of Revisions to System Policies *31.07, Retirement*

I recommend adoption of the following minute order:

**“The revisions to System Policies *31.07, Retirement* as shown in the attached exhibit, are approved, effective immediately.”**

Respectfully submitted,

Phillip Ray  
Vice Chancellor for Business Affairs

**Approval Recommended:**

**Approved for Legal Sufficiency:**

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John Sharp  
Chancellor

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Ray Bonilla  
General Counsel

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Billy Hamilton  
Deputy Chancellor and  
Chief Financial Officer

## 31.07 Retirement

~~Revised May 7, 2024 (MO – 2024)~~

~~Revised April 11, 2019 (MO-064-2019)~~

Next Scheduled Review: ~~April 11, 2024~~ May 7, 2029

Click to view [Revision History](#).



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### Policy Summary

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The Texas A&M University System (system) abides by the applicable laws in providing for voluntary and mandatory retirement under several situations.

This policy addresses the situations under which retirement may or must be offered and taken through the system; specifically including mandatory retirement, disability retirement or retirement under the Teacher Retirement System (TRS) or the Optional Retirement Program (ORP), through a combination of age and years of service.

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### Policy

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- 1.- Employment with any member is predicated at all times upon each individual's mental and physical abilities to ~~perform~~ perform the functions of the position held ~~service in normal and expected assignments~~. Retirement from employment with the system will occur ~~when an employee~~:
  - (a) when an employee elects retirement under the provisions of the TRS or ORP;
  - ~~(b) reaches the mandatory retirement age as described below; or~~
  - ~~(be) when an employee~~ meets the conditions for disability retirement; or ~~The chancellor or designee is authorized to establish regulations for the implementation of this policy.~~
  - ~~(c) or in accordance with mandatory retirement provisions set forth in sState and fFederal law.~~

2.

~~2. Mandatory Retirement Age~~

~~System employees may not be forced to retire except under the following conditions:~~

~~2.1 An employee who is in a bona fide executive or high policymaking position for the two-year period immediately before retirement and who is entitled to an immediate nonforfeitable annual retirement benefit which equals at least \$44,000 may be retired at the end of the fiscal year in which that employee's 65th birthday occurs or anytime thereafter at the option of the system Board of Regents (board). Such a retirement benefit must be from an employer provided pension, profit-sharing, savings, or deferred compensation plan, or any combination of such plans. (Based on the Federal Age Discrimination in Employment Act.)~~

## REVISED

~~2.2—The chancellor or designee is authorized to establish mandatory retirement age standards for certain employment classifications where age is a bona fide occupational qualification. When, based on objective facts, it is determined that age is a reasonable and necessary limiting factor in the safe and efficient performance of the duties of an employment classification, the chancellor is authorized to impose an age requirement by issuing appropriate regulations that meet legal tests and requirements.~~

~~2.3—Requests for an employee to work beyond a mandatory retirement age must be forwarded through normal administrative channels to the chancellor or designee for approval. Such employment will be recommended and approved only where the system's best interest will be served and all state and federal regulations and system board requirements have been met.~~

~~2.4—Upon the approval of the member chief executive officer, a person may be employed after retirement. Such employment will be recommended and approved only in those instances where the system board's requirements have been met and where the system's best interest will be served.~~

~~3.~~

### 3. Disability Retirement

Disability retirement is available to a system employee under the following conditions:

- (a)- the employee does not satisfy the age and service requirements for system retirement with benefits;
- (b)- the employee applies for a disability retirement and submits the results of a medical examination; and
- (c)- the TRS medical board or, in the case of an ORP member, the System Benefits Administration Office certifies, based upon reliable medical opinion and consistent with the requirements for retirement under TRS, that the employee is mentally or physically disabled and unable to perform the employee's duties and that the disability is probably permanent.

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## **Related Statutes, Policies, or Requirements**

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[Tex. Gov't Code Title 8, Subtitle C \(chs. 821-825, 830\), \*Teacher Retirement System of Texas\*](#)

[Tex. Educ. Code § 51.964, \*Hiring of Certain Retirees\*](#)

[The Age Discrimination in Employment Act of 1967](#)

[TRS Benefits Handbook](#)

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## **Member Rule Requirements**

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A rule is not required to supplement this policy.

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## Contact Office

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~~System~~ Benefits Administration  
(979) 458-6330

Human Resources  
(979) 458-6169

## 31.07 Retirement

Revised [May 7, 2024](#) (MO – 2024)  
 Next Scheduled Review: May 7, 2029  
 Click to view [Revision History](#).



### Policy Summary

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### Policy

1. Employment with any member is predicated at all times upon each individual's mental and physical abilities to satisfactorily perform the functions of the position held. Retirement from employment with the system will occur:
  - (a) when an employee elects retirement under the provisions of the TRS or ORP;
  - (b) when an employee meets the conditions for disability retirement; or
  - (c) in accordance with mandatory retirement provisions set forth in state and federal law.
2. Upon the approval of the member chief executive officer, a person may be employed after retirement. Such employment will be recommended and approved only in those instances where the system board's requirements have been met and where the system's best interest will be served.
3. Disability Retirement

Disability retirement is available to a system employee under the following conditions:

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