



## **Retirement and Modified Service**

### **Purpose**

This policy provides guidance for staff employees and faculty who return to work at SFA after retirement.

### **Persons Affected**

This policy applies to all retired staff and faculty.

### **Definitions**

Optional Retirement Program (ORP): Defined contribution plan governed by Texas *Government Code*, Chapter 830 and *Internal Revenue Code* Section 403(b). Retirement benefits are based on the performance of the investments selected and controlled by the employee.

Retirement: Withdrawal from employment with the U. T. System or any of the institutions with a retirement benefit or enrollment in retiree health insurance.

The Teacher Retirement System of Texas (TRS): Defined benefit retirement plan governed by Texas *Government Code*, Subtitle C, Title 8, and *Internal Revenue Code* Section 401(a). Retirement benefits are based on legislatively determined formulas.

### **Policy**

It is the policy of Stephen F. Austin State University, a member of The University of Texas System (SFA) that there shall be no mandatory retirement age except as permitted by law in accordance with Texas Labor Code 21.101 or for a licensed pilot operating an aircraft pursuant to U. T. System Board of Regents' *Rules and Regulations* Rule 30301: Employment of Retirees. SFA may hire an individual that has retired under the Teacher Retirement System of Texas (TRS) or the Optional Retirement Program (ORP), in accordance with *Texas Education Code* Section 51.964 and Rule 30301.

### **Procedures for Faculty and Staff**

In accordance with *Texas Education Code* Section 51.964 and Regents Rule 30301, an institution of higher education may employ a person who has retired under the TRS or ORP if:

- a) The Board of Regents or a designee identified in Regents' Rule 10501 determines that the employment is in the best interests of the institution.
- b) The person has been retired for at least 30 days before the effective date of the employment, except that a person retired under ORP may be rehired after retirement without a break in service.



- c) The governing body may pay a person employed under this section an amount considered by the governing board or designee to be appropriate, notwithstanding any other provision of the law.
- d) The duties and work load of an individual on modified service shall be in accordance with policies and procedures of the UT System and SFA.
- e) Restrictions. An appointment to modified service shall be without tenure, and for not more than one academic year. The notice provisions of Rule 31002, Section 1 of the Regents' *Rules and Regulations* shall not apply to nonrenewal of such appointments. If SFA determines that it is in the best interest of SFA, it may offer reappointment to modified service. Requests to offer reappointment to modified service must be submitted to the Provost/Executive Vice President for Academic Affairs for approval.

### **Related Statutes or Regulations, Rules, Policies, or Standards**

Tex. Educ. Code § 51.964

Tex. Lab. Code § 21.101

Regents' *Rules and Regulations*, Rule 30301, Employment of Retirees

### **Responsible Executive**

Vice President for Finance and Administration

### **Forms**

Return to Work Retiree Checklist

### **Revision History**

September 1, 2023 (original)