



UMass President's Office Guidelines on Post-Retirement Employment

Issued by the UMPO HR Department on October 21, 2024

I. DEFINITION AND SCOPE OF COVERAGE

For the purpose of these administrative standards, a “post-retiree” is defined as any individual who is collecting a pension from the Commonwealth of Massachusetts or any of its political subdivisions and is performing work for the UMass President's Office (UMPO).

These administrative standards apply to a post-retiree whether they were previously employed by the UMPO specifically, the larger University, or elsewhere within the State or Municipal workforce.

Any post-retiree, regardless of whether they are directly employed by the UMPO or employed by a third party that is providing services to the UMPO, must read these Guidelines and submit a signed acknowledgment that they have read the Guidelines to the UMPO Office of Human Resources prior to beginning work as a post-retiree. (Directly employed means receiving a pay-advice from the University. A third party may include, but is not limited to, consulting firms, staff augmentation firms or non-profit organizations providing services to the UMPO.)

II. RULES AND RESTRICTIONS UNDER STATE LAW

The following rules and restrictions are set forth in state law.¹

- a) ***Restriction on Hours:*** A post-retiree may not work more than 1,200 hours per calendar year. The post-retiree is responsible for ensuring that they do not exceed this restriction on hours worked.
- b) ***Restriction on Annual Earnings:*** A post-retiree's total earnings per calendar year cannot exceed the difference between their retirement allowance and the current pay rate for the position from which they retired. If a retiree has been retired for more than 12-months they may earn an additional \$15,000 in each calendar year following such a 12-month period. A post-retiree must contact the Massachusetts State Employee Retirement System and determine their individual annual earnings limit. The post-retiree is responsible for ensuring that they do not exceed this limit.
- c) ***Legal and Financial Risks:*** Any legal or financial risks, associated with not complying with state law rests with the post-retiree. (Such risks may include but not be limited the need to pay back all earnings that exceeded the allowable limits.) The Commonwealth may pursue a cause of action against the post-retiree who does not comply with the law.

¹ Massachusetts General Laws c. 32, § 91.



III. POST-RETIREEES EMPLOYED DIRECTLY BY THE UMPO

In addition to rules and regulations under state law (above), the following rules apply to a post-retiree employed by the UMPO:

- a) *Employment Status*: A post-retiree's employment status must be as a temporary, non-benefited employee. The post-retiree may not be employed as an independent contractor and to do so may violate Federal and State independent contractor classification laws.
- b) *Fair Labor Standards Act*: In most instances, a post-retiree will meet the definition of a non-exempt employee under the Fair Labor Standards Act and will be subject to the applicable overtime provision and the prohibition against volunteer work for which an employee is otherwise paid.
- c) *Rate of Pay*: The Human Resources Department must determine the rate of pay for the post-retiree who is on the UMPO payroll. The rate of pay must not exceed the rate of pay the post-retiree was earning when they retired from the University. This specific restriction on the rate of pay only applies to post-retirees who have retired from the University, as opposed to from another public employer.
- d) *Budget Approval*: The Budget Department must determine whether the requesting department has the funds available to pay the post-retiree.
- e) *Duration of Approval*: If approved as outlined above, a post-retiree may be employed for a period not to exceed 12 months. At the conclusion of that period, a department may request additional authorization to continue to employ the post-retiree for an additional period of time not to exceed 12 months.
- f) *Compliance with Hours*: The UMPO may opt to discontinue the employment of a post-retiree who has exceeded the annual restriction on hours worked that is applicable to all post-retirees. However, it is the post-retiree's obligation to ensure they do not exceed this restriction on hours.
- g) *Health Insurance*: Post-retirees are eligible to receive health insurance benefits from the Group Insurance Commission because of their status as a retiree who is collecting a pension. They are not eligible to enroll in health insurance through the University as an active employee. This restriction remains in place even if the post-retiree is working more than 20 hours per week. Post-retirees are not eligible for dental/vision and other supplemental insurance coverage.
- h) *Sick/Medical Leave*: Post-retirees, as temporary non-benefited employees, do not accrue paid leave under the University sick leave benefit. However, they may be eligible for up to 40 hours of sick leave annually in accordance with the Massachusetts Earned Sick Leave Law. Depending on the number of hours worked and other factors, post-retirees may be covered by the Federal Family Medical Leave Act and/or the Massachusetts Paid Family Medical Leave Law.
- i) *Vacation and Holiday*: Post-retirees, as temporary non-benefited employees do not earn vacation leave and are not paid for holidays.



IV. POST-RETIREEES EMPLOYED BY A THIRD PARTY (including but not limited to consultants, staff augmentation firms, and non-profit organizations)

These Administrative Standards (or guidelines) do not regulate the employment of post-retirees by a third party that is providing services to the University. This may include, but not be limited to consulting firms, staff augmentation firms or non-profit organizations.

However, the earning restrictions outlined in Section II (above) apply to a post-retiree who is employed by a third-party providing services to the UMPO. Meaning, a post-retiree who is employed by a third party who is providing services to the University must comply with the state law that restricts a post-retirees annual hours worked and annual earnings.

In addition, any legal or financial exposure associated with non-compliance rests with the individual post-retiree, and not with the University or the third-party vendor.



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UMASS PRESIDENT'S OFFICE POST-RETIREMENT EMPLOYMENT GUIDELINES

ACKNOWLEDGMENT FORM

I (Name of Post-Retiree) have read the University of Massachusetts Guidelines on Post Retirement employment. I understand that I am legally prohibited from working more than 1,200 hours per calendar year as a post-retiree. I have contacted the Massachusetts State Employee Retirement System and determined my individual annual earnings limit, and I understand that my earnings from the University may not exceed this limit. I understand that these provisions of law apply to me regardless of whether I am directly employed by the UMPO or employed by a third party that is providing services to the UMPO. I understand that compliance with all of the provisions of law is my responsibility and not the responsibility of the University or the third-party vendor (if applicable.)

Signature

Dated: