

Annuitant Return to Work Fact Sheet

The "Return to Work" legislation (40 ILCS 5/15-139.5), enacted in August 2012 and modified in November 2013, imposes financial obligations on universities that employ State Universities Retirement System (SURS) annuitants who become affected annuitants. Current laws limiting the salary of SURS annuitants remain in place.

Affected Annuitants are University employees who receive compensation during an academic year that begins after August 1, 2013 that is in excess of 40% of the employee's highest annual rate of earnings earned at a SURS-Covered employer prior to retirement.

Note there are some exceptions to affected annuitant status if an individual's salary is funded from federal funds, Foundation funds, trust funds, corporate funds, or state grant in which a PI is named.

In light of these requirements, the University has instituted the following processes to be followed when considering an offer of employment to a SURS annuitant.

Prospective Employees and Current Employees must now:

- Report if he or she qualifies as a SURS annuitant including whether the individual qualifies as an affected annuitant on employment applications
- Provide HR with a copy of the annuitants' Certification of Retirement Annuity Form; and
- Report his/her post-retirement employment with any SURS Covered Employer.

Employees must also:

Report any changes to HR in the employee's annuitant status, earnings limitations, or post-retirement employment status with a SURS Covered Employer.

Departments must, prior to offering employment to a SURS annuitant:

- Contact HR to obtain a cost analysis prior to extending an offer of employment to a SURS annuitant;
- Coordinate with HR to verify that a prospective employee's earnings are less than the applicable salary earnings limitations; and
- **Obtain VP approval prior to offering employment to a SURS annuitant.**

Human Resources will coordinate the University's Return to Work Processes by:

- Monitoring if an ISU employee becomes an affected annuitant by tracking the 40% threshold;
- Monitoring extra-help appointments;
- Verifying a SURS annuitant's status;
- Verifying that an annuitant's earnings are less than the statutory earnings limitation; and
- Reporting required data to SURS.