



Teachers' Retirement System of the State of Kentucky

Returning to Work with a TRS Non-university Employer

Know your limits

Understanding your limits as a TRS retiree returning to work with a TRS non-university employer will make the return more seamless and will protect your benefits. This flier supplements separate return-to-work options charts that are based on the date a member retired. Consult the chart that applies to you.

Why are breaks in service required?	The break in service is necessary to comply with federal law on when and how a TRS retiree may return to work with a TRS employer.
Is TRS approval required for returning to work in a TRS-covered position?	It depends. For the part-time program, no approval is required. For the full-time or critical shortage programs, TRS approval is required before reemployment.
Is TRS approval required for returning to work in a non-TRS-covered position?	Yes.
What forms are required before being reemployed with a TRS employer?	For members who retire on or after Jan. 1, 2020, a TRS Reemployment Certification, which certifies that no agreement for postretirement employment was made before retirement, must be signed by the employer and employee and submitted to TRS for anyone returning to work within 12 months. Failure to have this form on file prior to reemployment will cause your retirement to be voided, requiring all benefits received be returned to TRS. The certification form is on the TRS website and Pathway. Except for part time, employers must file Request to Employ TRS Retiree in Full-Time or Critical Shortage (Form RET-FT) before retirees are employed in those programs. Reemployment in a non-TRS-covered position also requires prior approval through an Employment Limitations Exemption Request (Form 30E) submitted by the employer.
If I am returning part time to a TRS-covered position, how many days can I work during the first year after I retire?	If you retire any month other than July, the number of allowable workdays in the first year of retirement will be prorated.
How much may I earn without hurting my retirement benefits?	You are limited to your daily wage threshold (DWT) in the full- and part-time programs.
What is the DWT?	The DWT is the maximum daily rate of pay that may be earned for a full day of work.

What is the definition for a full day of work under the DWT?	A full day of work is calculated by the number of hours in a workday from the required arrival time as set by the employer for full-time employees to the earliest release time, less any duty-free time for lunch or other required break.
How is the DWT determined?	The DWT is a percentage of the daily rate of your last annual compensation. Members who retire with 30 or more years of service have a DWT of 75% of their last daily rate. Members who retire with fewer than 30 years have a DWT of 65% of their last daily rate. It can increase each year based on the Consumer Price Index.
How is the DWT applied if a retiree is working less than a full day?	When an employee is working less than a full day, the DWT is converted to an hourly wage threshold. Working less than a full day means a retiree's DWT is prorated accordingly.
How is the DWT converted to an hourly threshold?	The hourly threshold is calculated by dividing the DWT by the number of work hours required for a full-time employee.
Do I earn service credit and salary credit when returning to work in a TRS-covered position?	Yes. However, most TRS pension recipients have limits for both service and salary credit.
What duties earn service credit?	Duties that occur within a regular contract day.
Do additional duties earn service credit?	No, but in most circumstances, the compensation does apply to the DWT.
Does the DWT apply to all wages earned from TRS employers during a fiscal year?	Yes. The sum of any compensation you receive from any TRS employer during the fiscal year (July 1 to June 30) will be used toward your DWT, including compensation for non-contractual days, such as summer school or any additional duties performed beyond the normal contracted day or school year.
What if I earn more than my DWT or work more than my allowable days?	If you earn more than your allowed DWT, you must repay TRS the gross amount of any earnings that exceeded your threshold. If you work more than the allowed number of days in the part-time program in the first year of retirement, your retirement will be voided for not meeting the break in service. Repayment must be made before a retirement or refund of the return-to-work account will be allowed.
What if I am eligible for insurance through my employer?	If you return to work in a position in which you are eligible for health insurance through your employer and that coverage will be provided through the state employee plan (Kentucky Employees' Health Plan), TRS will terminate your retiree health coverage until you no longer are covered by your employer.

Contact TRS at 800-618-1687 or info@trs.ky.gov if you have questions.