



FRANK KEATING
GOVERNOR

STATE OF OKLAHOMA
TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA

September 2002

TO: Superintendent of Schools and/or Financial Officers
FROM: Tommy C. Beavers, Executive Secretary
SUBJECT: UPDATE ON POST-RETIREMENT EMPLOYMENT

The Board of Trustees has adopted new emergency rules revising existing TRS administrative rules. The emergency rules must still be approved by Governor Keating. Five of the six rule changes were made in conjunction with House Bill 2344, which became effective July 1, 2002. HB 2344 applies to retired members working after retirement. The complete text of all rule changes can be read on the TRS website at www.trs.state.ok.us.

HB 2344 increased earnings limits on employment in the public schools of Oklahoma for a majority of TRS members and clarifies that work performed in an employee/employer relationship is subject to the earnings limits. Neither HB 2344 nor previous statutes limit the amount a school may pay a retired member, but statutes do limit the amount a retiree can earn from employment in the public schools of Oklahoma and still receive his or her full monthly retirement benefit.

The Board of Trustees also voted to extend the new earnings limits in HB 2344 to include all of calendar year 2002. This means some retirees who were limited to earnings of \$15,000 under the old law can now earn up to \$30,000 without affecting their retirement checks.

Here is a summary of the new earnings limits by category of retirees:

- A retiree who retired as a classified member and who has been retired for 36 months or more may now earn up to \$30,000 without affecting his or her retirement benefit. *Classified member is defined in statutes and generally means teachers, administrators and other certified personnel.*
- A retiree who retired as a classified member and who has been retired for fewer than 36 months but is 62 or older may now earn the lesser of \$30,000 or one-half of his or her final average salary.
- The limit for a retiree under age 62 who has been retired for fewer than 36 months has not changed. The limit for this category is the lesser of \$15,000 or one-half of his or her final average salary.
- The limit for a retiree who retired as a non-classified member has not changed. The limit for this category is the lesser of \$15,000 or one-half of his or her final average salary. *Non-classified member is defined in statutes and generally means support personnel.*

Final average salary is the average used to calculate the member's current monthly benefit. The earnings limit is prorated for the calendar year a retiree reaches age 62 or when he or she has reached the 36th month of retirement. The 36-month period is determined by the number of retirement check received by the retiree.

If you have questions about this or other retirement matters, please contact the Retirement Office. Our telephone number is 1-877-738-6365 (toll free) or 521-2387 in the Oklahoma City dialing area.