



# Working After PSRS Retirement

2026-2027



PUBLIC SCHOOL RETIREMENT  
SYSTEM OF MISSOURI

A Note to Readers

The information and requirements discussed in this brochure pertain to PSRS service retirees and those PSRS disability retirees who are age 60 or older.

Disability retirees who return to work before age 60 may earn up to the substantial gainful activity limit for non-blind Social Security Disability Insurance (SSDI) benefits, which is set by the Social Security Administration. If they earn in excess of this amount, they are no longer eligible for disability benefits, they will have their benefits put on hold, and a recovery may be necessary.

For specific information or questions, please feel free to contact our Information Center toll free at (800) 392-6848, by email at psrspeers@psrspeers.org, or by using the LiveChat feature in Web Member Services at www.psrs-peers.org.

Introduction

Working as a retiree for a PSRS-covered employer can be rewarding and beneficial for you and your employer.

Before you can work for a PSRS-covered employer as a retiree, you must properly terminate your pre-retirement employment. Proper termination of employment is also one of the requirements for PSRS retirement. The next section covers the basic requirements for proper termination.

Once you have met the termination requirements, you may choose to work after retirement. If you do, it is important to understand the limits that may apply to your work.

Work limits apply to:

- Work performed while employed by PSRS-covered employers
- Work performed while employed by a third-party provider (such as a staffing agency) in certain positions while performing duties at PSRS-covered employers
- Work performed as an independent contractor in certain positions while performing duties at PSRS-covered employers.

The work limits detailed in this brochure vary depending on your employer and, in some cases, whether the position in which you work as a retiree requires you to have a certificate issued by the Missouri Department of Elementary and Secondary Education (DESE).

Work for other employers not covered by PSRS is not limited by law and does not impact the payment of your retirement benefits.

Proper Termination of Pre-Retirement Employment

The IRS requires members to provide a clear separation of service between the end of pre-retirement employment and the start of post-retirement work for covered employers.

PSRS requires that you have a separation period of one month from your PSRS retirement date.

To properly terminate pre-retirement employment, you must:

- End all employment with all PSRS-covered employers before your PSRS retirement date.
- Not enter any agreement, written or unwritten, with any PSRS-covered employer for future employment until after receiving your first retirement benefit.
- Not return to or begin any employment with any PSRS-covered employer for one month after retiring.

In addition, you must:

- End all employment as an independent contractor or with any third-party provider (such as a staffing agency) for any DESE-certificated position, including substitute teaching, at a PSRS-covered school.
- Not enter into any agreement for future employment in such a position until after receiving your first retirement benefit.
- Not return to or begin any such employment for one month after retiring.

**Note:** Prohibited agreements include any type of early retirement incentive or separation agreement that requires you to work after retirement in return for salary (including health insurance benefits).

If you violate these rules, your employment is not considered terminated and you are not eligible to retire and receive benefits. Therefore, you are not eligible to work at a covered employer as a retiree. Additionally, you must repay any benefits received while ineligible and may be required to pay contributions on your salary until you properly terminate your employment.

Example

If Jane retires July 1, she cannot be under any agreement, written or unwritten, for employment and she may not work for a PSRS-covered employer during the entire month of July. She can agree to employment and begin work on Aug. 1.

Agreements for Post-Retirement Work or Volunteer Hours

If a retirement incentive or separation agreement requires you to work or volunteer in any capacity after retirement in return for salary, including health insurance benefits, you are not considered to have properly terminated your employment and you are ineligible to receive PSRS benefits. Contact our office for more information.

Social Security Taxes

Your post-retirement salary for work at PSRS-covered employers may be subject to Social Security taxes. Contact your prospective employer for information.

Employment Definitions

- **Full-Time Employment:** Employment in a position that normally requires at least 600 hours during the school year and requires the employee to either work the full school day or work at least the same number of hours per week as required for such a position.
- **Part-Time Employment:** Employment for fewer hours than is required of a full-time employee for the same position.
- **Salary:** Financial compensation you receive for covered employment, including employer-paid health, dental, or vision insurance premiums for you, the member; payouts for unused leave; and any other payments or incentives received as a result of the employment.
- **School Year:** For retirement purposes, a school year is July 1 through June 30.
- **Substitute Teaching (for a K-12 School District or Third-Party Provider Employer):** Instructing or guiding the studies of students in a teaching position that requires a DESE-issued certificate, in place of a regularly employed teacher who is temporarily unavailable.
- **Substitute Teaching (for a Community College Employer):** Instructing or guiding the studies of students in a teaching position that is certified by the executive officer of the institution according to Missouri law, in place of a regularly employed teacher who is temporarily unavailable.

- **Temporary Substitute Employment:** Employment in a position that is temporarily vacant.
- **Third-Party Provider:** An employment or staffing agency that employs PSRS retirees to provide services at PSRS-covered schools.
- **Volunteering:** Work you perform for which you receive no salary (including health insurance or other benefits).

Limits on Working After Retirement

Post-retirement work for PSRS-covered employers, as well as some work as an independent contractor or for third-party employers, is limited by law if you want to continue to receive your retirement benefits. The limits vary depending on your employer and, in some cases, whether the position requires you to have a certificate issued by the Missouri Department of Elementary and Secondary Education (DESE).

PSRS-covered employers include:

- All Missouri public school districts *except* the St. Louis (city) and Kansas City public school districts
- All Missouri public two-year colleges (often called community colleges)
- Statewide nonprofit educational associations that have elected to join

If your work is subject to limits, you must track your work. If you exceed the limits that apply to you, your benefits may be put on hold effective the month the limit is exceeded and until the month after your work ends or a new school year begins on July 1, whichever comes first.

If you exceed any limit on working after retirement that applies to you, you must repay to PSRS either the amount you earned over the limit or the entire amount of your monthly benefit for each month you went over the limit, whichever is less.

Determining Your Limits

When your employer reports to us that you are working after retirement, we will send you individualized information regarding the limits that apply to your work situation. However, it may be helpful to consider in advance what limits will apply to work you are considering. You can start by asking the following questions:

- Is the work performed for a PSRS-covered employer?
- Is that employer a K-12 public school district?
- Is that employer a public, two-year (community) college?
- Is the work performed as an employee of a third-party provider or staffing agency and providing a service at a PSRS-covered employer?
- Does the position in which you work require a DESE-issued certificate?
- Are you a substitute teacher?
- Do you meet the IRS definition of an independent contractor?

The following pages provide detailed information on the various limits that apply, based on the type of work you will perform and your employer.

Temporary Waiver of Work Limits on Substitute Teaching

Work limits on part-time or temporary substitute work as a substitute teacher are waived through June 30, 2030.

For the limits on working after retirement, substitute teaching is defined as follows:

- **For a PSRS-Covered K-12 School District or Third-Party Provider:** Instructing or guiding the studies of students in a teaching position that requires a DESE-issued certificate, in place of a regularly employed teacher who is temporarily unavailable.
- **For a PSRS-Covered Community College:** Instructing or guiding the studies of students in a teaching position that is certified by the executive officer of the institution according to Missouri law, in place of a regularly employed teacher who is temporarily unavailable.

Keep in mind that substitute work performed in other positions not covered by this waiver continues to count toward any applicable work limits and should be tracked to avoid the loss of benefits.

As of this time, limits on work as a substitute teacher will once again apply effective July 1, 2030.

If you are reported as working after retirement during the waiver, you will receive information on any limits that apply to your work, as well as information on what work falls under the waiver.

If you are unsure whether your work falls under this waiver or have questions, please contact your school district for more information.

The limits on part-time or temporary substitute work for PSRS-covered K-12 school districts and educational associations depend on whether the position requires a certificate issued by the Missouri Department of Elementary and Secondary Education (DESE).

# Part-Time or Temporary Substitute Work for PSRS-Covered K-12 School Districts

If you are reported as working after retirement, you will receive a letter, either in your online Document Center or by mail, with your limits for the school year. You will also receive a *Working After Retirement Record* form. See page 14 for more on recordkeeping.

## Certificated Part-Time Work

If, after retirement, you work part time in a DESE-certificated position for a PSRS-covered K-12 school district or educational association, you must stay within the following limits on hours and salary.

**Note:** These limits do not apply if you are working under Critical Shortage Employment (see page 11) or the temporary waiver for substitute teaching (see page 5).

### Limit on Hours

- You can work up to a combined maximum of **550 hours** part-time or as a temporary substitute each full school year (July 1 – June 30).
- Hours that you volunteer while also working for the same employer in a paid position that is subject to limits on hours and salary count toward your hours limit if the duties performed while volunteering and working are **not substantially different**. See page 13 for more information on volunteering.

### Limit on Salary

- You can earn up to **50% of the annual compensation payable** under the PSRS-covered employer's salary schedule for the position or positions, given your level of work experience and education.
- If the position is not subject to the employer's salary schedule, please contact your employer for information on how to determine your salary limit.
- If you fill more than one position subject to limits on both hours and salary, the 50% salary limit is based on the annual salary of the **highest paid** position in which you work **at least 20%** of your total hours during the year.
- For tracking purposes, your salary includes any employer-paid health, dental, or vision insurance premiums for you, the member; payouts for unused leave; and any other payments or incentives received as a result of the employment.

### Example 1

Amy is retired and returns to work for a PSRS-covered K-12 school district as a regular part-time teacher. Her work is not considered that of a substitute and does not fall under the temporary waiver of work limits on substitute teaching. Because teachers must have a DESE-issued certificate, her work is subject to the post-retirement limits on hours and salary.

Amy has worked as a retiree with the district for 10 years and has reached her limit for annual leave days that can be carried over. The district will be paying out those days over her limit, in the amount of \$900.

The annual compensation payable for the teaching position is \$40,000.

$50\% \times \$40,000 = \$20,000$

Her 50% salary limit is \$20,000.

The \$900 annual leave payout will count toward her limit, so she can effectively earn \$19,100 during the school year.

Her hours limit is 550.

### Example 2

John is retired and returns to work for a PSRS-covered K-12 school district as a regular part-time teacher. His work is not considered that of a substitute and does not fall under the temporary waiver of work limits on substitute teaching. Because teachers must have a DESE-issued certificate, his work is subject to the post-retirement limits on hours and salary.

The annual compensation payable for the teaching position is \$40,000. His employer pays \$3,000 per year toward health insurance premiums for active, full-time employees, and this amount should be included in the full-time annual base salary, even though the employer is only paying \$2,000 toward John's health insurance.

$\$40,000 + \$3,000 = \$43,000$

$50\% \times \$43,000 = \$21,500$

$\$21,500 - \$2,000 \text{ (John's insurance)} = \$19,500$

Therefore, he may earn \$19,500 for the school year.

His hours limit is 550.

## Non-Certificated Part-Time Work

If, after retirement, you work part time in a DESE-certificated position for a PSRS-covered K-12 school district or educational association, you must stay within the following limit on salary.

**Note:** This limit does not apply if you are working under Critical Shortage Employment (see page 11) or the temporary waiver for substitute teaching (see page 5).

### Limit on Salary

- You can earn up to \$32,558.40 during the 2026-2027 school year (July 1 - June 30). Please note that this limit is subject to change each school year.
- If you fill more than one non-certificated position at a covered K-12 school district or educational association, your combined, total salary limit is still \$32,558.40.
- All salary you receive – including employer-paid health, dental, and vision insurance premiums paid for you; payouts for unused leave; and any other payments or incentives received as a result of the employment – counts toward the limit.

- In the event you are working for the same employer in a position subject to limits on both hours and salary, you will need to confirm with your employer which limit the insurance premiums will count toward.

### Example 3

Jane is a PSRS retiree who returns to work for a PSRS-covered K-12 school district as a school bus driver. Because school bus drivers are not required to have a DESE-issued certificate, her work is subject to the \$32,558.40 salary limit. At the district where she works, the annual compensation payable for a school bus driver is \$14,000. Her employer is not paying anything toward her health insurance. Therefore, Jane will be able to work the entire school year as a bus driver without impact on her service retirement benefits.



Working After PSRS Retirement



The limits on full-time work for PSRS-covered K-12 school districts and educational associations depend on whether the position requires a certificate issued by the Missouri Department of Elementary and Secondary Education (DESE).

### Certificated Full-Time Work

If you work full time for a PSRS-covered K-12 school district in a position subject to limits on both hours and salary, you are no longer eligible for PSRS service retirement benefits and your benefits will be put on hold until the month after your full-time employment ends or when a new school year begins on July 1, whichever comes first.

**Note:** These limits do not apply if you are working under Critical Shortage Employment (see page 11) or the temporary waiver for substitute teaching (see page 5).

### Non-Certificated Full-Time Work

Because there is no limit on hours worked in non-DESE-certificated positions at K-12 school districts, your work may be full-time until you reach your salary limit, which is the same as non-certificated part-time work (see page 7).

**Note:** These limits do not apply if you are working under Critical Shortage Employment (see page 11) or the temporary waiver for substitute teaching (see page 5).

### Part-Time Work

If, after retirement, you work part time or as a temporary substitute for a PSRS-covered public, two-year college, you must stay within the following limits on hours and salary.

**Note:** These limits do not apply if you are working under Critical Shortage Employment (see page 11) or the temporary waiver for substitute teaching (see page 5).

#### Limit on Hours

- You can work up to a combined maximum of **550 hours** part-time or as a temporary substitute each full school year (July 1 – June 30).
- Hours that you volunteer while also working for the same employer in a paid position that is subject to these limits on hours and salary will count toward your hours limit if the duties performed while volunteering and working are **not substantially different**. See page 13 for more information on volunteering.
- If you teach at a PSRS-covered public two-year college, you must convert the credit hours you teach to clock hours in order to track your progress against the hours limit. **The simple conversion is one credit hour equals 30 clock hours.**

Conversion Formula

1 Credit Hour = 30 Clock Hours

You will receive more information on the conversion formula when you return to work, along with other information on how to track your hours.

#### Limit on Salary

- You can earn up to **50% of the annual compensation payable** under the PSRS-covered employer's salary schedule for the position or positions, given your level of work experience and education.
- If the position is not subject to the employer's salary schedule, please contact your employer for information on how to determine your salary limit.

- If you fill more than one position subject to limits on both hours and salary, the 50% salary limit is based on the annual salary of the **highest paid** position in which you work **at least 20%** of your total hours during the year.
- For tracking purposes, your salary includes any employer-paid health, dental, or vision insurance premiums for you, the member; payouts for unused leave; and any other payments or incentives received as a result of the employment.

Example

Collin is retired and returns to work for a PSRS-covered community college as an adjunct professor, part time. His work is subject to the post-retirement limits on hours and salary.

The annual compensation payable for the position is \$40,000. His employer pays \$5,000 toward Collin's health insurance.

$$\$40,000 + \$5,000 = \$45,000$$

$$50\% \times \$45,000 = \$22,500$$

His 50% salary limit is \$22,500.

The \$5,000 his employer pays toward his health insurance premiums counts toward this limit, so he can earn \$17,500 before reaching his salary limit.

$$\$22,500 - \$5,000 = \$17,500$$

His hours limit is 550.

Because he is paid by the credit hour, he will use the following conversion to determine the clock hours he will track against his hours limit.

**1 credit hour = 30 clock hours.**

### Full-Time Work

If you work full time for a PSRS-covered community college in a position subject to limits on both hours and salary, you are no longer eligible for PSRS service retirement benefits and your benefits will be put on hold until the month after your full-time employment ends or when a new school year begins on July 1, whichever comes first.

**Note:** These limits do not apply if you are working under Critical Shortage Employment (see page 11) or the temporary waiver for substitute teaching (see page 5).

# Work for Third-Party Providers or as an Independent Contractor

## Certificated Part-Time Work

If, after retirement, you work for a third-party provider or independent contractor in a part-time or a temporary substitute position at a PSRS-covered K-12 school district and the position normally requires a DESE-issued certificate, you must stay within the following limits on hours and salary.

**Note:** These limits do not apply if you are working under Critical Shortage Employment (**see page 11**) or the temporary waiver for substitute teaching (**see page 5**).

### Limit on Hours

You can work up to a combined maximum of **550 hours** part-time or as a temporary substitute each full school year (July 1 – June 30).

Hours that you volunteer while also working for the same employer in a paid position that is subject to these limits on hours and salary will count toward your hours limit if the duties performed while volunteering and working are **not substantially different**. **See page 13** for more information on volunteering.

### Limit on Salary

- You can earn up to \$23,500 for the 2026-2027 school year (July 1 – June 30).
- If you work for **both** a third-party provider and also directly for a PSRS-covered employer, your salary limit may be calculated differently. Please contact us for more information.
- For tracking purposes, your salary includes any employer-paid health, dental, or vision insurance premiums for you, the member; payouts for unused leave; and any other payments or incentives received as a result of the employment.

## Non-Certificated Work

Work for a third-party provider or as an independent contractor in positions that are not DESE-certificated is not limited by law. However, if you work as an independent contractor, it is important to be sure you meet the IRS requirements to qualify (**see pages 11-12**).



# Other Considerations for Working After Retirement

## Critical Shortage Employment

Critical Shortage Employment is a legal provision that allows PSRS retirees to return to work for PSRS-covered employers while continuing to receive PSRS service retirement benefits.

To employ staff under this provision, your employer must certify that there is a critical shortage of qualified applicants for the position and that they have met the necessary requirements to declare a critical shortage.

If you work after retirement for a PSRS-covered employer that has declared a critical shortage, you can work for up to 48 months without losing your PSRS benefits. The 48 months of employment do not have to be consecutive — there can be breaks in the employment. However, you cannot work more than 48 months total throughout your retirement. You do not pay PSRS contributions or earn service while working under this provision.

If you work under this provision and also work in any position not covered by Critical Shortage Employment as certified by your employer, the additional position(s) is subject to the separate limit(s) that apply, based on whether that position requires a DESE-issued certificate. See previous pages of this brochure for more information on those limits.

| Example                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Gary is retired and returns to work for a PSRS-covered school district as a physics teacher under Critical Shortage Employment. In addition, he coaches volleyball.</p> <p>Under the Critical Shortage provision, Gary is limited to working a maximum of 48 months as a physics teacher.</p> <p>His additional duty as a coach is subject to an annual salary limit of \$32,558.40 for the 2026-2027 school year because it is a non-certificated position and not part of his Critical Shortage Employment.</p> |

An employer can hire up to 1% of its total certificated and non-certificated staff, or five individual PSRS retirees, whichever is greater, to work under this provision. Employers must meet certain requirements and cannot use Critical Shortage Employment to fill the position of superintendent.

To employ retirees under this provision, the employer must annually:

- Not have offered early-retirement incentives for either of the previous two school years
- Post the vacancy or vacancies for at least one month
- Solicit applications through the local newspaper, other media, or teacher education programs
- Make a good faith effort to fill positions with non-retired applicants
- Determine that there is an insufficient number of eligible applicants for the advertised position(s)
- Declare that they currently have a shortage of employees

## Working as an Independent Contractor or Consultant

What is the difference between an employee and an independent contractor? In general, the common law standard dictates that if your employer has the right to control the manner and means of accomplishing the work you are responsible for performing, then you are an employee, not an independent contractor.

If you work after retirement as an independent contractor for a PSRS-covered employer in a position that does not normally require a certificate issued by the Missouri Department of Elementary and Secondary Education (DESE), your work **does not** count toward the PSRS limits on working after retirement.

However, unless you are substitute teaching (**see page 5**), work performed as an independent contractor for a PSRS-covered employer in a position normally requiring a DESE-issued certificate **does** count toward the PSRS limits on working after retirement.

Working as a Consultant

Whether a position is referred to as “consulting” does not determine whether PSRS covers that person. The critical distinction between being an employee and being an independent contractor or consultant is based on IRS definitions.

Corporations Working as Independent Contractors

Whether or not an individual is incorporated does not, by itself, ensure that an individual is considered an independent contractor with respect to post-retirement employment.

Depending on the circumstances, a corporation could be considered as only a shell or alter ego of the individual. If the individual is merely performing a role that ordinarily would be considered an employee, the corporation will likely be considered an alter ego of the person and the PSRS limits on working after retirement will apply. The central question remains: Who has the right to control the activities of the individual — the corporation or the employer?

If you have questions about how to tell if your post-retirement work status is one of an employee or an independent contractor, you can find information on the IRS website, [www.irs.gov](http://www.irs.gov); call your local IRS office; or call the IRS toll free at (800) 829-1040. Employers should complete an *IRS Form SS-8* and return the form to the IRS.

You may also refer to *IRS Publication 15-A, Employer’s Supplemental Tax Guide*.

More About the Work Limits

Working in Multiple Positions Subject to Limits

As a retiree, you may work simultaneously in more than one position subject to limits on working after retirement.

If you work after retirement in multiple positions subject to different limits, you must track your work for those positions separately. You will receive information on each limit and the appropriate *Working After Retirement Record* forms to use for each.

Example

Wade is a PSRS retiree. He works as a regular part-time teacher for a PSRS-covered K-12 school district. His work is not considered that of a substitute and does not fall under the temporary waiver of work limits on substitute teaching. Because teachers must have a DESE-issued certificate, Wade’s work in this position is subject to a limit of 550 hours per school year and an annual salary limit of no more than 50% of the annual compensation payable under the employer’s salary schedule for the position, given his level of work experience and education.

The annual compensation payable for the teaching position is \$40,000.

50% x \$40,000 = \$20,000

His 50% salary limit is \$20,000.

His hours limit is 550.

He also drives a school bus for the same employer. This is a non-certificated position. For this work, he is subject to a separate salary limit of \$32,558.40 for the 2026-2027 school year with no limit on his hours.

Because the annual compensation payable for a school bus driver is \$14,000 at the school district where Wade works, and his employer is not paying anything toward his health insurance, Wade will be able to work the entire school year as a bus driver without impact on his service retirement benefits.

He must track this work as a teacher separately from his work as a bus driver, against the specific limits for each.

Pro-Rated Limits on Work in the Year You Retire

The information about work limits found in this brochure is based on post-retirement work that occurs over a full school year. Work limits during your first year as a PSRS retiree will be pro-rated if you retire in any month other than July because you will be eligible to work only part of the school year as a retiree.

When your employer reports to us that you are working as a retiree, we will send you information that includes your personal limit(s) for the school year.

Pro-Rated Limits for Positions Subject to Hours and Salary Limits

| Work Subject to Limits on Hours and Salary                 |                                                |                                            |
|------------------------------------------------------------|------------------------------------------------|--------------------------------------------|
| Pro-Rated Limits During First School Year After Retirement |                                                |                                            |
| Retirement Date                                            | Maximum Hours You Can Work for the School Year | Maximum Salary Allowed for the School Year |
| July 1                                                     | 550                                            | 50%                                        |
| Aug. 1                                                     | 504                                            | 46%                                        |
| Sept. 1                                                    | 458                                            | 42%                                        |
| Oct. 1                                                     | 413                                            | 38%                                        |
| Nov. 1                                                     | 367                                            | 33%                                        |
| Dec. 1                                                     | 321                                            | 29%                                        |
| Jan. 1                                                     | 275                                            | 25%                                        |
| Feb. 1                                                     | 229                                            | 21%                                        |
| March 1                                                    | 183                                            | 17%                                        |
| April 1                                                    | 138                                            | 13%                                        |
| May 1                                                      | 92                                             | 8%                                         |
| June 1                                                     | 0                                              | 0%                                         |

Pro-Rated Limits for Positions Subject Only to a Salary Limit

| Work Subject Only to a Salary Limit                                  |                                            |
|----------------------------------------------------------------------|--------------------------------------------|
| 2026-2027 Pro-Rated Limits During First School Year After Retirement |                                            |
| Retirement Date                                                      | Maximum Salary Allowed for the School Year |
| July                                                                 | \$32,558.40                                |
| Aug.                                                                 | \$29,865.60                                |
| Sept.                                                                | \$27,172.80                                |
| Oct.                                                                 | \$24,480.00                                |
| Nov.                                                                 | \$21,787.20                                |
| Dec.                                                                 | \$19,094.40                                |
| Jan.                                                                 | \$16,401.60                                |
| Feb.                                                                 | \$13,464.00                                |
| March                                                                | \$10,771.20                                |
| April                                                                | \$8,078.40                                 |
| May                                                                  | \$5,385.60                                 |
| June                                                                 | \$0.00                                     |

Volunteering for Covered Employers May Count Toward Limit on Hours

You can volunteer for a PSRS-covered employer after retirement for an unlimited amount of time with no effect on your benefits if you are not a paid employee for the same employer for any duties and do not receive salary from the same employer.

But if you perform paid work in a position subject to the 550-hour-per-school-year limit **and** also volunteer after retirement for the same PSRS-covered employer, and the volunteer and paid work are **essentially performing the same function**, the time spent on volunteer work is not considered volunteering and counts toward the 550-hour limit.

If the volunteer work and duties for which you are paid are **substantially different**, only the hours for which you are paid count toward the 550-hour limit.

Because you receive no salary for volunteer work, it will not have any impact on the payment of your benefits if you are working in a non-certificated position subject only to a salary limit.

What Happens If You Exceed a Limit?

- If you exceed any of your limits on working after retirement:
- You must notify PSRS immediately.
  - Your benefits may be put on hold effective the month in which the limit is exceeded.
  - You must repay either the amount you earned over the limit or the entire amount of your monthly benefit for each month you went over the limit, whichever is less.
  - If your benefits are put on hold, they will resume the month **after** your employment again ends or when a new school year begins on July 1, whichever comes first.
  - If you meet membership eligibility requirements, you must establish a subsequent PSRS membership and pay contributions to PSRS. See the next section for more information.

Establishing a Subsequent Membership as a PSRS Retiree

- If your post-retirement work for a PSRS-covered employer meets membership eligibility requirements, you must establish a new membership and pay contributions on your salary. You will earn service under your new membership.
- If you earn a minimum of one year of service under your new membership, you are eligible for a second retirement benefit.
- You also have the option to request a refund of your contributions and any interest earned under the new membership. When you do this, you forfeit rights to a second monthly retirement benefit.

You cannot:

- Combine your second benefit with your initial benefit
- Choose a Partial Lump Sum Option (PLSO) payment on your second membership

Example

Mark is retired. If Mark begins teaching full-time in August, his benefits stop beginning with the August benefit payment and PSRS will recover his July benefit payment because it was paid to him during a school year (July 1 - June 30) when he is set to earn a full year of service. If he does not end up earning a full year of service for the school year, PSRS will repay his July benefit.

You are not eligible to receive retirement benefits for any month in which you earn service for employment at a PSRS-covered employer. If you earn a full year of service, PSRS must recover any benefits paid during that school year.

It is important to notify PSRS of the start and end dates of your PSRS-covered employment. PSRS will verify the dates with your employer and determine the months for which you are entitled to benefits and whether you need to reimburse any benefits.

If your full-time employment results in the establishment of a subsequent membership, you must also properly terminate your full-time employment before receiving benefits from this membership. See the section entitled *Proper Termination of Pre-Retirement Employment* on page 3 for more information.

Recordkeeping Requirements

All PSRS retirees subject to limits on working after retirement must maintain a *Working After Retirement Record* tracking their work each month. Employers also must maintain such records and report the information to PSRS.

*Working After Retirement Record* forms are sent to you each school year when your employer reports your return to work after retirement. These forms are also available on the PSRS website.

If you work after retirement in multiple positions that are subject to different limits, you will need to track your work for those positions separately. You will receive information on each limit and receive the appropriate *Working After Retirement Record* forms to use for each position.

You should not send a record form to PSRS unless we request it. We may request access to these forms for review at any time.

Accurate recordkeeping can prevent you from losing benefits. It is in your best interest to:

- Keep an accurate record of your work.
- Consult with your employer when you begin your post-retirement employment to discuss how to track your work.
- Check with your employer regularly to ensure your records are accurate and consistent.

If you work for a PSRS-covered employer, that employer reports the hours you work and salary you earn to PSRS each payroll period. Third-party providers also provide this information to PSRS on a regular basis.

Use PSRS Web Member Services to view your progress toward your work limits as reported by your employers. Keep in mind, there can be a delay between the time of your work and when your employer submits payroll to PSRS, so you may have worked more hours and/or earned more salary than what is reported online.

You will also receive notification when you are approaching a limit based on payroll information reported to PSRS by your employer.

If there are discrepancies in the hours and/or salary you track and those reported by your employer, we will consider your employer’s record official.

Recordkeeping Forms

You will receive a personalized recordkeeping form that applies to your situation. Blank forms can be found at [www.psrs-peers.org](http://www.psrs-peers.org).

Frequently Asked Questions

Q. If I work in a position subject to the 550-hour limit, how many days in a school year can I work?

A. The law does not limit the number of **days** you can work as a retiree. If your work is subject to the 550-hour limit, the number of days you can work depends on your employer’s method of counting the hours in a workday. The number of hours counted as a full day varies by employer. Talk to your employer to make sure you understand how your work is being tracked.

Q. What hours count toward the 550-hour limit?

- A. You must count all your time necessary to complete the requirements of your position, including if you are:
- Required to have a planning period
  - Given a lunch break and must remain at the school
  - Required to grade papers
  - Responsible for supervising students between events and when traveling

Q. The class I teach is only 50 minutes long. Do I count that as an hour (60 minutes) toward the 550-hour limit?

A. If you are only required to work 50 minutes and you only work 50 minutes, then it is appropriate to count 50 minutes toward your 550-hour limit. However, it is always a good idea to check with your employer to be sure you understand how your employer is tracking time.

Q. Do I count my lunch period toward the 550-hour limit?

A. If you are being paid for your lunch period and are required to remain at school during lunch, it counts toward the 550-hour limit. If you are not receiving pay for your lunch period and are able to leave for lunch, then you should not count the time toward the limit. However, it is always a good idea to check with your employer to be sure you understand how your employer is tracking time.

**Q. If I receive a paid holiday, what do I count toward my limits?**

A. The salary you receive for a paid holiday counts toward your salary limit. If you are also subject to a limit on your hours, the hours paid for that day do **not** count because you did not “work” the hours.

**Q. What counts toward my salary limit?**

A. For tracking purposes, your salary includes any employer-paid health, dental, or vision insurance premiums for you, the member; payouts for unused leave; and any other payments or incentives received as a result of the employment, including such things as gift cards and conference registration fees.

**Q. If I exceed limits for working after retirement, when could my benefits stop?**

A. Your benefits may be put on hold effective the month you exceed a limit. If your benefits are put on hold, they will not resume until the month after your employment ends or a new school year begins on July 1, whichever comes first.

**Q. If I exceed a limit, how much of my benefits will I lose?**

A. If you exceed any limit that applies to you, you must repay to PSRS either the amount you earned over the limit or the entire amount of your monthly benefit for each month you went over the limit, whichever is less.

**Q. If I accept a coaching position after retirement at a covered K-12 school district, what are my salary and hours limits?**

A. Post-retirement work as a coach (a non-certificated position) is subject to a \$32,558.40 salary limit for the 2026-2027 school year and no limit on hours.

**Q. Do the limits for working after retirement also apply to disability retirees?**

A. For disability retirees, post-retirement work limits depend on their age. Before age 60, disability retirees cannot have earnings in excess of the substantial gainful activity limit for non-blind Social Security Disability Insurance (SSDI) benefits, which is set by the Social Security Administration. Before age 60, disability retirees have no limit on hours worked.



At or after age 60, disability retirees are no longer subject to the SSDI earnings limit. However, when working for a PSRS-covered employer or third-party provider, they are subject to the same hours and/or salary limits that apply to service retirees.

**Q. Can participating in a retirement incentive cause me to lose retirement benefits?**

A. Yes. For a period of one month from your PSRS retirement date, you cannot be under a written or unwritten agreement for employment with a PSRS-covered employer in any capacity. This includes retirement incentives or separation agreements that require you to work or volunteer in any capacity after retirement in return for salary (including paid health insurance benefits). If you are under either a written or unwritten agreement for future employment, you are not considered to have properly terminated your employment and are not eligible to receive PSRS benefits.

**Q. If I work in a non-DESE-certificated position for one K-12 school district and also in a DESE-certificated position for another K-12 school district, what are my limits?**

A. In this case, you would have separate limits for each position. Work in certificated positions for PSRS-covered K-12 school districts is subject to the 550-hour and 50%-of-salary limits, while work for PSRS-covered K-12 school districts in non-certificated positions is subject to a salary limit with no limit on hours. The work for the two jobs must be tracked separately.

The same holds true if you work for the same PSRS-covered K-12 school district in two positions, one certificated and one not.

| Example                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Faye is a retired teacher who works as a regular part-time teacher at a PSRS-covered K-12 school district. Her work is not considered that of a substitute and does not fall under the temporary waiver of work limits on substitute teaching. Because this is a certificated position, her work is subject to a limit of 550 hours per school year and an annual salary limit of no more than 50% of the annual compensation payable under the employer's salary schedule for the position, given her level of work experience and education.</p> <p>She also drives a school bus for the same school district. This is a non-certificated position. For this work, she is subject to a separate salary limit with no limit on her hours.</p> |

**Q. Can I work in a non-DESE-certificated position for a PSRS-covered K-12 school district and also work at a covered school while employed by a third-party provider in a position that requires a DESE-issued certificate?**

A. Yes. You could work in a certificated position for a third-party provider at a PSRS-covered K-12 school district under the 550-hour/50% of salary limits and also work directly for a PSRS-covered K-12 school district in a non-certificated position with the separate salary limit and no limit on hours worked in that position.

**Q. If I work in both a DESE-certificated position and a non-DESE-certificated position at the same time for the same PSRS-covered K-12 school district, how is my employer-paid insurance counted toward my salary limits?**

A. You will need to ask your employer which salary limit your insurance will count toward.

**Q. On what is the salary limit for work in non-DESE-certificated positions based?**

A. The annual salary limit for PSRS retirees working in non-certificated positions is 133% of the Social Security earnings limit for persons under full retirement age. For the 2026-2027 school year, that means you can earn up to \$32,558.40 as a PSRS retiree working in non-certificated positions at covered employers. Please note that this limit is subject to change each school year.

**Q. If I work in more than one non-DESE-certificated position subject to only a salary limit, does the salary limit increase?**

A. No. No matter how many eligible positions are worked, the total annual limit on salary is the same.



***Q. What are some examples of non-DESE-certificated positions in which a PSRS retiree might be employed and be subject to the \$ 32,558.40 salary limit for the 2026-2027 school year?***

A. Possible positions include:

- Coach
- School bus driver
- Paraprofessional/teacher aide
- Speech-language pathologist
- Audiologist
- School psychologist

- School nurse
- Occupational therapist
- Interpreter for the deaf
- Language translator
- School/home coordinator
- Career education teacher aide

This is not a complete list. Please check with your employer to be sure you understand whether your position requires a DESE-issued certificate.

## Legal Disclaimer

This booklet explains your rights, benefits and responsibilities as a member of the Public School Retirement System of Missouri (PSRS). It is intended to serve as a ready source of information about the System and not as a legal document or a substitute for the law. If differences appear between the law and the booklet, the law must prevail.

The System is governed by the laws found in Chapter 169, *Revised Statutes of Missouri* and the *Missouri Code of State Regulations (CSR)* Title 16, Division 10.

Similarly, the law takes precedence over any oral statements made by a representative of PSRS regarding your rights, benefits and responsibilities as a PSRS member.

For further information, please refer to the PSRS *Member Handbook*, contact us at our office or visit us online.



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