
Introduction

There's a limit on the number of days you can work in a school year after retirement without interrupting your pension. Here's what you need to know about the rules.

Who is a re-employed pensioner?

For pension plan purposes, we consider you a re-employed pensioner and subject to re-employment rules if:

- you cease employment in education; and
- after the beginning of the month in which your Ontario Teachers' retirement pension begins, you're employed by or otherwise engaged, directly or indirectly, to provide services for compensation for an employer who participates in the pension plan.

Plan on working immediately after retirement?

Your arrangement to return to work in education must be made after your pension inception date.

A bona fide cessation of employment means there must be no re-employment in education between your resignation date and your pension inception date. A resignation is considered valid only if:

- you've terminated your employment contract;
- your employer confirms acceptance of your resignation without condition;
- no arrangement has been made to return to work directly or indirectly for a participating employer; and
- you've either received or arrangements have been made to pay any applicable gratuity.

This includes all re-employment, teaching or non-teaching, whether done on an employment, self-employment or third-party basis. If you aren't sure whether your employer participates in the Ontario Teachers' plan, ask your employer or contact us.

Also note that you can't forfeit your pay to circumvent the rules. If the position or duty entitles you to compensation and you decide to decline it, your service will still count toward the re-employment limit.

The limit

You can work directly or indirectly for a participating employer for 50 days in each school year you work following retirement without interrupting your pension. It's your responsibility to count the number of days you work.

Exceeding the limit

You can work until the end of the month in which you exceed your limit without affecting your pension. If you continue to work after the month in which you exceed the limit, even if for only part of a day, you won't receive your pension for that month. Your pension will resume on the earlier of:

- the month in which you have no re-employment service, or
- September 1 following the school year in which your pension was suspended.

Notify us immediately if you plan to work after the month in which you exceed the limit. We'll suspend your pension for as long as you continue to work.

**Exceeding the limit,
cont'd****Example**

Jocelyn plans to do some supply teaching in the upcoming school year. Here's a possible scenario to help illustrate what Jocelyn needs to do, and when, once she becomes re-employed.

	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Days	0	12	10	6	8	14	0	11	5	3

Jocelyn's 50th day of re-employment would occur in February. She would exceed the limit in April.

Jocelyn can work until the end of April without affecting her pension. Since she will work additional days past April of that school year, she must notify us as soon as she exceeds the limit. We'll suspend her pension beginning in May.

If she changes her mind and doesn't work beyond April of that school year, she doesn't need to contact us.

For more information on how your pension may be affected if you exceed the limit, review our summary at the end of this fact sheet. If you're still unsure, contact us.

Working in August

You may be asked to work in August to set up for the next school year.

Days you work in August will only be included in the subsequent school year if they're part of the existing calendar associated with your position. If they aren't, and you've already exceeded your re-employment limit for the current school year, these days will count toward the current school year. As a result, your pension will be suspended in August and resume in September.

Failure to report

Under the *Teachers' Pension Act*, you must record the number of days worked in education. You're obligated to supply the details of your return to work in circumstances where we require additional information. If you fail to provide this information within a reasonable time after it's requested, your pension will be suspended. Any pension payments you weren't entitled to receive must be returned, with interest.

What counts?

For pension plan purposes, your work after retirement is subject to re-employment rules if you:

- work in any capacity for
 - a school board in Ontario;
 - a designated private school;
 - a designated organization; or
 - the Ministry of Education*.
- work as a teacher (includes, but isn't limited to, tutor, guidance counsellor, librarian, vice-principal, principal or other supervisory officer positions)
 - under an authorized exchange program;
 - for an Ontario government ministry; or
 - for the Toronto and Region Conservation Authority.

**What counts?,
cont'd**

- work as a volunteer and you're entitled to compensation (including gifts or honorariums) for the position or activity (applies even if you don't accept payment to which you're entitled).
- * If you work, or have worked, in a non-teaching capacity for the Ministry of Education, contact us to determine how re-employment rules affect you.

Volunteer work

The re-employment rules may apply even if you don't get paid for your work. You can't forfeit your pay to circumvent the rules. If the position or duty entitles you to compensation and you decide to decline it, your service will still count toward the re-employment limit. Keep in mind that payments for services rendered may include gifts and gift certificates.

To determine if volunteer work for a participating employer counts towards the re-employment limit, ask yourself the following questions:

1. Are you paid for this activity or entitled to payment and chose to forfeit it?
2. Have you been paid for performing this activity in the past, in and of itself?

If you answer "yes" to either of the above, it's likely re-employment. If you're still unsure, contact us.

Counting days

Count all work days, including paid non-working days, such as professional development days and sick days. If you normally count statutory holidays as work days, they should also be included if you become re-employed.

Don't count days you worked before you retired. For example, if you retire and return to work in the same school year, the days you worked before the month of your first pension payment don't count toward the limit.

Contract employees

If you're hired on a part-time basis, days count in direct proportion to your contract percentage. For example, if you're on a 33% contract and work one-third of a day, three days would count as one day of re-employment.

Hourly and task-based employees

If you're paid by the hour, or hired for a specific task, check with your employer to determine what constitutes a working day for someone in that position. With that information, you'll be able to accurately count the days you work.

We recognize a day to be anywhere from 5.5 to 9 hours of work. For example, if your employer reports your normal working day as 4 hours and you work 110 hours, you will accumulate the equivalent of 20 days toward the limit, as follows:

$$110 \text{ hours} \div 5.5 \text{ hours per day (minimum)} = 20 \text{ days}$$

Even though you worked only 4 hours a day, we recognize a day to be a minimum of 5.5 hours. If you worked 10 hours in a day, we recognize only 9 hours.

Self-employment and third-party arrangements

There are times when you may not work directly for an employer who participates in the pension plan. If you've made self-employment or third-party arrangements to work after retirement and are unsure if the work is subject to re-employment rules, ask yourself these questions:

1. Are the services you provide normally performed by an employee at the participating employer?
2. Does a participating employer assign and control your duties?

If you answer "yes" to either of the above, then your work after retirement is likely subject to re-employment rules. Here are three examples to help illustrate the difference between what is and isn't considered re-employment.

Example 1 – Mary, caterer

After retiring, Mary started her own catering business, Just Like Home. Once a week, she delivers hot lunches to a few of the local elementary schools. As a retired teacher, Mary especially enjoys visiting her school clients.

Does it count?

No. The school, the participating employer, doesn't control the services provided by Just Like Home. In addition, Mary's service as a caterer wouldn't normally be performed by an employee. Therefore, Mary wouldn't have to count any of this time toward her re-employment limit. Mary's situation is an example of self-employment.

Example 2 – George, teacher program co-ordinator

George works part-time for Reach for the Top, a private company that provides teaching services in schools.

Does it count?

Yes. Any school that hires employees from Reach for the Top directly controls the services provided by the company. In addition, George's service would normally be performed by an employee rather than contracted out. Therefore, he would have to count his work toward the re-employment limit. George's situation is an example of being engaged indirectly through a third-party arrangement.

Example 3 – Donna, professional development

Donna works part-time as a coach for principals. She was hired by the Ontario Principals' Council (OPC), an organization that doesn't participate in the plan. Donna works with principals at their schools. The OPC assigns her work hours and which schools to visit.

Does it count?

Yes. Even though the OPC is not a participating employer, professional development training is normally performed by employees hired directly by participating employers (i.e., district school boards). Because Donna is indirectly providing services to a district school board, working after retirement rules apply.

Working for more than a year

You can choose to have your pension recalculated to include the additional credit you accumulate while re-employed only if you:

- return to work for a participating employer for the first time after Dec. 31, 2008;
- notify us of your intention to recalculate before your first day of re-employment; and
- will work for the equivalent of a year or more.

You'll become an active, contributing member of the plan while you're re-employed.

When you retire again, we'll recalculate your pension with the additional credit, based on pension rules in effect at the time. While this will usually result in a higher pension, in rare circumstances it can lower benefits for you or your survivors.

Before you decide to contribute immediately upon your return to work, contact us for information on the implications of your decision.

Disability pensions and re-employment

If you're receiving a disability pension and return to work, you must notify us immediately. We'll stop your disability pension.

For more information

If you don't know whether your position is covered by the re-employment rules, or have any other questions concerning working after retirement, please call us toll free at 1-800-668-0105 or 416-226-2700, weekdays from 8 a.m. to 5:30 p.m.

Re-employment in education summary

Situation	What you need to do	What happens to your pension
<ul style="list-style-type: none"> ■ You're re-employed and don't exceed the limit. ■ You're re-employed and you don't work beyond the end of month in which you exceed the limit. 	<ul style="list-style-type: none"> ■ Notify your employer that you're a pensioner when you accept a job. ■ Track the number of days you work. 	<ul style="list-style-type: none"> ■ You'll continue to receive your pension without interruption.
<ul style="list-style-type: none"> ■ You continue to work after the month in which you exceed the limit. 	<ul style="list-style-type: none"> ■ Notify us as soon as you start working after the month in which you exceed the limit. <p>Note: If you have additional deductions taken from your pension (i.e., spousal payments, insurance premiums), consider how you'll make alternate payment arrangements.</p>	<ul style="list-style-type: none"> ■ Your pension will be suspended for each month you continue to work. ■ Your pension will resume on the earlier of: <ul style="list-style-type: none"> • the month in which you have no re-employment service, or • September 1 following the school year in which your pension was suspended. ■ You cannot return to work again during the month in which your pension is reinstated (with the exception of September).
<p>You:</p> <ul style="list-style-type: none"> ■ return to work as a pensioner for the first time after Dec. 31, 2008; ■ will work for a year or more; and ■ choose to accumulate credit during your entire period of re-employment. 	<ul style="list-style-type: none"> ■ Contact us before you begin working for the first time as a pensioner. ■ Let your employer know immediately that you'll be contributing for your entire period of re-employment. ■ During your last month of re-employment, contact us to apply to begin your pension again. 	<ul style="list-style-type: none"> ■ Your pension will be terminated and contributions will be deducted during your entire period of re-employment. ■ When you retire again, your pension will be recalculated to include the additional credit you accumulated while re-employed and based on pension rules in effect when you apply for your pension again. ■ If you end up working for less than a year, your pension won't be recalculated and we'll refund the contributions you made, with interest, after we reconcile pension records with your employer. ■ Your pension will resume without change the month after your last day of re-employment.