

POLK STATE COLLEGE

District Board of Trustees Rule

Rule Number	Subject	Rule Making Authority	Statutory Reference	SBE Rule Reference	Effective Date
3.24	Terminal Leave Payout	FS 1001.64	FS 1012.865	—	[]

1. Purpose

This Rule establishes the limits on terminal leave payout for employees who separate from employment with Polk State College (College).

2. Definitions

- (a) **Accumulated sick leave** means unused sick leave hours earned in College service and credited to the employee at separation. It does not include sick leave transferred to the College from any other employer.
- (b) **Accrued vacation leave** means unused vacation leave hours credited to the employee at separation under Rule 3.09.
- (c) **Educational support employee** means a person employed by the College as an education or administrative paraprofessional; a member of the operations, maintenance, or comparable department; or a secretary, clerical, or comparable level support employee, as provided in § 1012.865(1)(a), Florida Statutes.
- (d) **Hour** means the unit by which leave is accrued, tracked, and paid. Where law prescribes a limit in days, one day equals the number of hours in the employee's normal workday, or eight (8) hours if no normal workday is established.
- (e) **Hourly rate** means the employee's regular rate of pay in effect on the date of separation, determined from the position's salary or contracted hours.
- (f) **Instructional staff** means a teacher or faculty member, including faculty members, librarians, counselors, and other comparable employees engaged in an instructional capacity at the College, as provided in § 1012.865(1)(b), Florida Statutes.
- (g) **Other employee** means a full-time employee who is neither instructional staff nor an educational support employee. The term includes administrators and executives, and those professional and technical employees whose duties are not paraprofessional, operations, maintenance, secretarial, clerical, or comparable support duties. Classification under this Rule is determined by the employee's duties as described in § 1012.865(1), Florida Statutes, and not by the employee's job title or pay level.

- (h) **Retirement** means separation from full-time employment after the employee has qualified for retirement under the Florida Retirement System (FRS) and submitted the required documents to FRS, or has become permanently and totally disabled as documented by a licensed health care provider.
- (i) **Separation** means the end of the employment relationship between the employee and the College, for any reason, including resignation, retirement, non-reappointment, dismissal, or death.
- (j) **Terminal leave payout** (also **terminal pay**) means the payment made to an employee, or to the employee's beneficiary, for accumulated sick leave or accrued vacation leave by reason of the employee's separation. Terminal pay is calculated on the employee's leave balances and hourly rate as of the date of separation, and is payable only as provided in this Rule.

3. Eligibility

- (a) **Sick leave.** Terminal sick leave payout is available only upon retirement or death, and only after the employee has completed at least six (6) years of full-time College service.
- (b) **Vacation leave.** Terminal vacation leave payout is available upon any separation, without regard to length of service or reason for separation.

4. Amount — Terminal Sick Leave

Rate. Terminal sick leave payout equals the employee's accumulated sick leave hours, multiplied by the employee's hourly rate, multiplied by forty percent (40%) for instructional staff and educational support employees, or by twenty-five percent (25%) for all other employees. Twenty-five percent is the maximum permitted for those employees by § 1012.865(2)(e)2, Florida Statutes.

Maximum. In no case shall terminal sick leave payout exceed 480 hours of pay.

Annual determination. At the end of each academic year, meaning the last day of the spring term as published in the College's academic calendar, the College shall determine the terminal sick leave payout each employee would receive under this Section. If that amount equals or exceeds 480 hours of pay, sick leave earned after that date shall not be included in the calculation of terminal sick leave pay. If that amount is less than 480 hours of pay, sick leave earned in the following academic year continues to be included until the maximum in this Section is reached. Sick leave excluded from the calculation under this Section remains available to the employee for use as sick leave.

5. Amount — Terminal Vacation Leave

Terminal vacation leave payout equals the employee's accrued vacation leave hours multiplied by the employee's hourly rate, and shall not exceed the maximum established by Rule 3.09.

6. Sick Leave Accrued by Other Employees Before July 1, 2001

For other employees:

- (a) Terminal pay for sick leave accumulated before July 1, 2001 shall be made pursuant to the Board rule in effect on June 30, 2001, as required by § 1012.865(2)(e)1, Florida Statutes. Sections 3, 4, and 13 of this Rule shall not operate to reduce that amount.
- (b) Sick leave earned on or after July 1, 2001 shall not be counted for terminal pay purposes until the employee's June 30, 2001 balance has been reduced below sixty (60) days, converted to hours under Section 2(d), as required by § 1012.865(2)(e)3, Florida Statutes.

7. Payment on Death

If separation is by reason of death, terminal pay shall be made to the employee's beneficiary, or as otherwise permitted by § 222.15, Florida Statutes.

8. Method of Payment

Terminal pay exceeding \$10,000 shall be contributed to the College's tax-sheltered special pay plan to the maximum extent permitted by federal tax law and the terms of the plan. Terminal pay of \$10,000 or less, and any amount that exceeds the maximum permitted under the plan, shall be paid directly to the employee through the College's payroll, subject to applicable taxes. Whether a payment is contributed to the plan is determined solely by the amount payable under this Rule and is not subject to employee election.

9. Notice; Forfeiture

An employee must give written notice of intent to separate — at least fourteen (14) calendar days for Career and Professional/Technical employees, and at least thirty (30) calendar days for Administrator and Faculty employees. Failure to give the required notice, or separation for cause after written notice and an opportunity to respond, forfeits the terminal **sick** leave payout under this Rule. Terminal **vacation** leave payout is not subject to forfeiture. The notice requirement is excused where a sudden, unexpected disabling condition renders the employee incapable of performing his or her duties.

10. Effect of payment

Sick leave for which terminal pay is received is extinguished. An employee who separates without receiving terminal pay and is later reemployed shall have his or her sick leave credit reinstated. This Section applies to sick leave only.

11. Grant-funded positions

An employee filling a grant-funded position hired on or after August 1, 2004 shall not be paid terminal leave for any leave earned while working on the grant unless the grant includes funding for that purpose and the President or designee approves.

12. Transferred Sick Leave

- (a) **Transfer permitted.** An employee may transfer accumulated sick leave to the College from another Florida College System institution, the Florida Department of Education, a state university, a Florida district school board, or a state agency, as permitted by § 1012.865(2)(a), Florida Statutes.
- (b) **Minimum established in College service.** At least one-half of an employee's accumulated sick leave at any time must have been established in College service, as required by § 1012.865(2)(a), Florida Statutes.
- (c) **Use.** Transferred sick leave may be used on the same terms as sick leave earned in College service. Sick leave used by an employee shall be charged first against the employee's transferred sick leave.
- (d) **No terminal pay.** Transferred sick leave is not included in the calculation of terminal sick leave pay under this Rule.
- (e) **Statutory minimum preserved.** This Section does not reduce an amount required by Section 6.

13. Transition

- (a) **Application.** This Section applies to each employee in College service on [effective date], without regard to classification or date of hire. It does not apply to an employee hired after that date.
- (b) **Transition date.** The transition date is May 31, 2027, at the end of the 2026-27 Academic Year and just before the close of the Fiscal Year.
- (c) **Separation on or before the transition date.** An employee who separates on or before the transition date shall be paid terminal leave under Rule 3.24 as it existed immediately before [effective date].
- (d) **Protected balance.** The College shall determine each employee's accumulated sick leave hours as of the transition date. That figure is the employee's protected balance and does not change thereafter.
- (e) **Rate applied to the protected balance.** Terminal sick leave pay for the protected balance equals the protected balance, multiplied by the employee's hourly rate, multiplied by fifty percent (50%) for instructional staff and educational support employees, or by twenty-five percent (25%) for all other employees. Twenty-five percent is the maximum permitted for those employees by § 1012.865(2)(e)2, Florida Statutes. In no case shall the amount payable for the protected balance exceed the amount that would have been payable under Rule 3.24 as it existed immediately before **October 1, 2026**.
- (f) **Instructional staff hired May 1, 1988 through July 31, 2004.** An employee who is instructional staff and who was hired on or after May 1, 1988 and before August 1, 2004 is entitled to terminal sick leave pay for the protected balance on the same basis as all other instructional staff, calculated under the percentage schedule in Section II.B of Rule 3.24 as it existed immediately before October 1, 2026.

- (g) **Leave earned after the transition date.** If the amount payable for an employee's protected balance is less than 480 hours of pay, sick leave earned after the transition date is calculated under Section 4 and added to that amount until the total reaches 480 hours of pay. If the amount payable for an employee's protected balance is 480 hours of pay or more, sick leave earned after the transition date is not included in the calculation of terminal sick leave pay. Sick leave excluded under this subsection remains available to the employee for use as sick leave.
- (h) **Maximum.** Terminal sick leave pay under this Section shall not exceed 480 hours of pay, except that an employee's protected balance shall not be reduced below the amount determined under subsection (e). For an employee who is neither instructional staff nor an educational support employee, terminal sick leave pay may not exceed the lesser of one-fourth of the employee's accumulated sick leave or 480 hours of pay, as required by § 1012.865(2)(e)2, Florida Statutes.
- (i) **Statutory minimum preserved.** Nothing in this Section reduces an amount required by Section 6.

History

Adopted: July 6, 1987

Revised: April 18, 1988; July 26, 2004; July 24, 2006; February 22, 2010; [____]

Distribution

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