

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 110.122 FS 1012.55 | | 2/22/2010 |

The Board of Trustees authorizes the President to direct the establishment of limits regarding terminal leave payout for employees who terminate their employment with Polk State College.

I. Policy

- A. Florida Statutes provide authority to the Polk State College Board of Trustees to establish the amounts of sick leave to be paid on termination of employment within the guidelines set by statute and the State Board of Education. Except where noted below, sick leave eligible for payout purposes shall be Polk State College service only. Sick leave days transferred in from any source allowed under Florida statute and PSC rules and procedures may be used by an employee but will not be included in calculations for sick leave payout except as set out in section II.A. and III.A., below. The first sick leave days used will be considered to have come from the employees transferred days and leave earned prior to August 1, 2004 on a first earned, first used basis.
- B. Definition: Retirement for the purposes of this rule is defined as the cessation of full-time employment with the College after an employee has met all the qualifications for retirement under FRS rules and has submitted the necessary documents for retirement to FRS or has become permanently disabled and furnished the College with a statement of permanent total disability from a licensed healthcare provider.

II. Instructional, Career, Professional and Technical Employees

- A. All Instructional, Career, Professional and Technical employees who began full-time employment with Polk State College before May 1, 1988, will receive a payout on their sick leave balance, whatever the source.
- B. For those Career, Professional and Technical employees employed on or before July 31, 2004, terminal sick leave pay shall not exceed an amount determined as follows:
 - (1) During the first 3 years of service, the daily rate of pay multiplied by 35 percent times the number of days of accumulated sick leave.
 - (2) During the next 3 years of service, the daily rate of pay multiplied by 40 percent times the number of days of accumulated sick leave.
 - (3) During the next 3 years of service, the daily rate of pay multiplied by 45 percent times the number of days of accumulated sick leave.

(4) During and after the 10th year of service, the daily rate of pay multiplied by 50 percent times the number of days of accumulated sick leave.

C. Those full-time Instructional, Career, Professional and Technical Employees who begin employment with Polk State College on or after August 1, 2004 will receive a payout on their sick leave balance after at least six years of full-time service upon their retirement from PSC or death based on the following:

1. During the first 9 years of service, the daily rate of pay multiplied by 40 percent times the number of days of accumulated sick leave.
2. During and after the 10th year of service, the daily rate of pay multiplied by 50 percent times the number of days of accumulated sick leave.
3. In no case will the payout for terminal sick leave exceed the equivalent of 100 days pay for career employees and 60 days pay for instructional, technical and professional employees.
4. In the case of death, any terminal leave due will be paid the estate of the deceased.

III. Administrative and Executive Employees

A. Those full-time administrative and executive level employees on pay levels F, G, H, and I who began full-time employment with Polk State College before May 1, 1988, will receive a payout on their sick leave balance, whatever the source.

B. Full-time administrative and executive level employees shall not exceed a terminal sick leave pay amount determined as follows:

1. For unused sick leave accumulated before July 1, 2001, terminal pay shall be paid pursuant to rules or policies of the Board of Trustees which were in effect on June 30, 2001. (See II.B 1-4 above)
2. For unused sick leave accumulated on or after July 1, 2001, terminal payment may not exceed an amount equal to one-fourth of the employee's unused sick leave or 60 days of the employee's pay, whichever amount is less.
3. If the employee had an accumulated sick leave balance payout equivalent to 60 days or more on June 30, 2001, sick leave earned after that date may not be accumulated for terminal pay purposes until the accumulated leave balance payout as of June 30, 2001, is less than 60 days.

C. All full-time administrative and executive level staff on pay levels F, G, H, and I who begin employment with Polk State College on or after August 1, 2004 will receive a payout on their sick leave balance after at least six years of full-time service upon their retirement from PSC or death based on the following:

1. For unused sick leave terminal payment may not exceed an amount equal to one-fourth of the employee's unused sick leave or 60 days of the employee's pay, whichever amount is less.
2. In the case of death, any terminal leave due will be paid the estate of the deceased.

IV. Payment of Benefits to Employees

A. Effective August 1, 2004, terminal vacation and sick leave payments made to all eligible participants as defined in this procedure are required to be contributed to the College's Tax Sheltered Special Pay plan to the maximum extent permitted by Federal tax laws, the plan's terms and College policy. Terminal pay calculations are based on the employee's leave balances and salary in effect on the date of the mandatory payments. These mandatory payments include:

1. Terminal Vacation Leave

- a. Payments made to DROP participants the day prior to the DROP begin date and/or on the date of separation.
- b. Payments made to all other eligible participants on the date of separation.

2. Terminal Sick Leave

- a. Payments made to all eligible DROP participants each June 30. A minimum balance of 30 days of personal sick leave shall be retained in the employee's account.
- b. Remaining payments made to eligible DROP and regular participants on the date of separation. After the maximum contributions have been paid into the Tax Sheltered Special Pay plan for the plan year, remaining sick leave and vacation leave balances will be carried over for payment in a subsequent plan year, unless the employee separates from the College. If the employee does separate from the College, payments for remaining sick and vacation leave balances will be made directly to the employee subject to FICA and federal income taxes.

V. Terminal pay for employees filling grant-funded positions

- A. Employees filling grant-funded positions hired on or before July 31, 2004, will be paid terminal pay benefits under the terms of the appropriate sections of this procedure or as provided in the employee's employment contract.
- B. Employees filling grant-funded positions hired on or after August 1, 2004, will not be paid terminal pay benefits for any sick leave earned while working for the grant unless the grant includes funding for this purpose and is approved by the President or a designee.

VI. No employee of Polk State College leaving employment on or after August 1, 2004 shall receive any payment under this rule if they have been terminated for cause.

- VII. No employee of Polk State College leaving employment on or after August 31, 2004 shall receive any payment under this rule if they have failed to give written notification of their intent to terminate their employment with the College. Career employees are required to give at least two weeks notice. All other employees are required to give at least thirty days notice. The only exception to this provision shall be the sudden, unexpected onset of a disabling condition that renders the employee incapable of performing his or her duties.
- VIII. If an employee receives terminal pay benefits based on unused sick leave credit, all unused sick leave credit shall be considered to be used; however, if an employee terminates his or her employment without receiving terminal pay benefits and is reemployed, his or her sick leave credit shall be reinstated.

History

Adopted: July 6, 1987

Revised: April 18, 1988; July 26, 2004; July 24, 2006 and February 22, 2010

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