

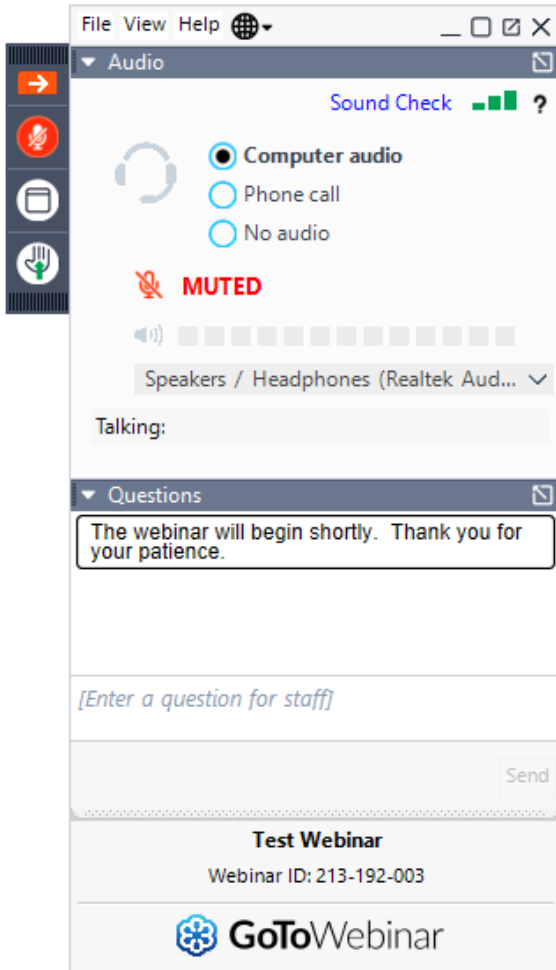


# Leave Credit – Did you know?

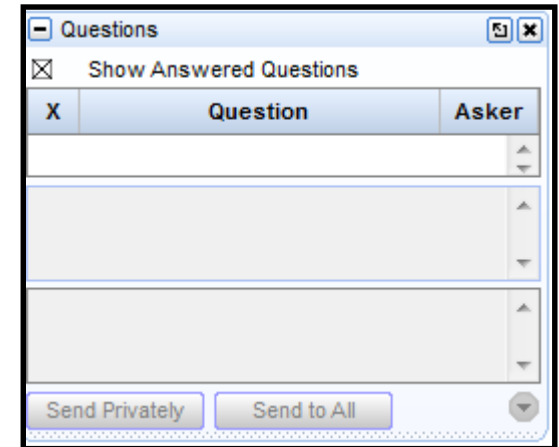
# Friendly reminders

- This presentation contains general information.
- It is meant to be used as a guide during the webinar.
- All participants are muted during the webinar.
- Have a question?
  - » Type your question in the Questions area during the webinar. The moderator will see it and respond.
- There will be a question-and-answer period at the end of the webinar.
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# Agenda

- What happens to my sick leave when I retire?
- Sick leave basics
- How is sick leave converted to service credit?
- Sick leave conversion tables & examples
- What happens to my annual leave when I retire?
- Can I purchase unused leave?



# What happens to my sick leave?



- Sick leave is a benefit of employment, and is subject to the authority of your employing agency.
- However, **unused** sick leave is an important part of your retirement because it can increase your monthly benefit when converted to service credit.

# What happens to my sick leave?

- TRSL will convert your **unused** sick leave to service credit after you have submitted an official application for retirement and your final benefit is calculated.

- Different laws govern the conversion of sick leave, depending on when the leave was earned.

- State law governs the accrual, determination, and conversion of **unused** sick leave to service credit for retirement purposes.

# Sick leave basics

- Unused sick leave cannot be used to attain eligibility for retirement.
- However, at the time of retirement, unused sick leave may be converted to service credit.
  - » This can increase your monthly retirement benefit.
  - » TRSL makes this conversion after you have retired.
- Employers pay up to 25 days of unused sick leave at the daily rate of pay, or the number of unused days at the discretion of the employer, upon retiring or entering DROP.

# How is sick leave converted to service credit?

- The sick leave balance accumulated with your employer does not determine how much is eligible for conversion to retirement credit.
- However, the amount of unused sick leave eligible for conversion is determined instead by a formula specified in state law that depends on when the sick leave was earned:
  - » **Earned on or before June 30, 1988**
    - There is no cap on the amount of unused sick leave earned on or before June 30, 1988 that can be converted to service credit.
  - » **Earned on or after July 1, 1988**
    - Conversion of unused sick leave credit earned on or after July 1, 1990, is capped at one (1) year.



# Sick leave *on or before* June 30, 1988

- For retirement purposes, accumulation of leave is determined by the member's contract and years of service:
  - » 9-mo. employees earn 10 days per year
  - » 10-mo. employees earn 11 days per year
  - » 11- and 12-mo. employees earn the following:
    - 12 days per year for the first three years
    - 15 days per year for the next seven years
    - 18 days per year for all years over 10
- After determining the days accumulated, the days of sick leave used by the member are subtracted. This leaves the remaining balance of unused sick leave days that will be converted to service credit according to **Table 1: Unused Sick Leave Conversion.**

# TABLE 1: Unused sick leave conversion

Sick day balance	Service credit earned
25-45 days	0.25 years
46-90 days	0.50 years
91-135 days	0.75 years
136-180 days	1.00 years
181-225 days	1.25 years
226-270 days	1.50 years
271-315 days	1.75 years
316-360 days	2.00 years

Sick day balance	Service credit earned
361-405 days	2.25 years
406-450 days	2.50 years
451-495 days	2.75 years
496-540 days	3.00 years
541-585 days	3.25 years
586-630 days	3.50 years
631-675 days	3.75 years
676-720 days	4.00 years

# Sick leave *on or after* July 1, 1988

- For retirement purposes, accumulation of leave is determined by the member's contract and years of service:
  - » **9-month employees:** Earn 10 days per year
  - » **10-month employees:** Earn 11 days per year
  - » **11- and 12-month employees:** Earn the following:
    - 12 days per year for the first 10 years
    - 18 days per year for all years over 10
- After determining the days accumulated, the days of sick leave used by the member and the number of days which were paid by the employer are subtracted. This leaves the remaining balance of unused sick leave days that will be converted to service credit according to **Table 2: Unused Sick Leave Conversion.**


# TABLE 2: Unused sick leave conversion

Sick day balance		Service credit earned
9-month employees	10-month employees	
10-18 days	11-20 days	0.1 year
19-36 days	21-40 days	0.2 year
37-54 days	41-60 days	0.3 year
55-72 days	61-80 days	0.4 year
73-90 days	81-100 days	0.5 year
91-108 days	101-120 days	0.6 year
109-126 days	121-140 days	0.7 year
127-144 days	141-160 days	0.8 year
145-162 days	161-180 days	0.9 year
163-180 days	181-200 days	1.0 year

Sick day balance		Service credit earned
11-month employees	12-month employees	
12-22 days	13-24 days	0.1 year
23-44 days	25-48 days	0.2 year
45-66 days	49-72 days	0.3 year
67-88 days	73-96 days	0.4 year
89-110 days	97-120 days	0.5 year
111-132 days	121-144 days	0.6 year
133-154 days	145-168 days	0.7 year
155-176 days	169-192 days	0.8 year
177-198 days	193-216 days	0.9 year
199-220 days	217-240 days	1.0 year

# EXAMPLE 1: Sick leave conversion

- A 9-month contract member retires with 30 years of service credit.
  - » The member worked 7 years on or before June 30, 1988, using 20 sick leave days during that time period, and worked 23 years on or after July 1, 1988, using 82 sick leave days during that time period.



The member is paid up to 25 days of unused sick leave by their employer upon retiring or entering DROP.

# EXAMPLE 1: Sick leave conversion

## Sick leave on or before June 30, 1988:

- 7 years × 10 sick days earned per year = 70 sick leave days
- 70 days - 20 days used = 50 unused sick leave days
  - » **Per Table 1:** 50 unused sick leave days converts to 0.5 year of service credit


## Sick leave on or after July 1, 1988:

- 23 years × 10 sick days earned per year = 230 sick leave days
- 230 days - 82 days used - 25 days paid = 123 unused sick leave days
  - » **Per Table 2:** The 9-month employee's 123 unused sick leave days converts to 0.7 year of service credit.

**TOTAL service credit earned for retirement benefit calculation:  
0.5 year + 0.7 year = 1.2 years of service credit**

## EXAMPLE 2: Sick leave conversion

- A 9-month contract member retires with 25 years of service credit.
  - » The member worked 25 years on or after July 1, 1988, earning 10 days per year, using 150 sick leave days during that time period.



The member is paid up to 25 days of unused sick leave by their employer upon retiring or entering DROP.

# EXAMPLE 2: Sick leave conversion

## Sick leave on or after July 1, 1988:

- $25 \text{ years} \times 10 \text{ sick days earned per year} = 250 \text{ sick leave days}$
- $250 \text{ days} - 150 \text{ sick days used} - 25 \text{ days paid} = 75 \text{ unused sick leave days}$ 
  - » **Per Table 2:** The 9-month employee's 75 unused sick leave days converts to 0.5 year of service credit

**TOTAL service credit earned for retirement benefit calculation:  
0.5 year + 0.7 year = 1.2 years of service credit**



# What happens to my annual leave?

Employees of Louisiana state agencies, colleges, universities, community colleges, and technical colleges may receive credit for unused annual leave at no cost, with certain restrictions.

- Members who earn annual leave (typically 12-month employees) are usually paid up to 300 hours or 37.5 days of annual leave by their employers upon termination of employment.
- The number of days for which a member is paid is deducted from the number of days certified as unused by the employer.
- Members who were first eligible to retire after June 30, 1990, can convert unused annual leave earned after that date to service credit by purchasing the leave at actuarial cost.

# Can I purchase unused leave?

- **Sick leave**: Even after TRSL converts unused sick leave to one year of service credit, some members may still have unused sick days left.
  - » These individuals can purchase the remaining balance for conversion to additional service credit **if** the leave was earned on or after July 1, 1990.
  - » Once your benefit is finalized, TRSL will notify you if you have any remaining unused sick leave credit eligible for purchase.
- **Annual leave**: Members who were first eligible to retire after June 30, 1990 can convert unused annual leave earned after that date to service credit by purchasing the leave at actuarial cost.

# Summary

- Sick leave cannot be used to reach eligibility for retirement. Eligibility must first be attained; then unused sick leave credit is used to calculate the final amount of your retirement benefit.
- Different laws govern the conversion of sick leave, depending on when the leave was earned. You can read more about it in our *Sick Leave & Conversion to Service Credit* brochure.
- Sick leave is a benefit of employment and is subject to the authority of your employer. If you have specific questions regarding your sick leave, please contact your HR Department.

# Questions?



# Online access to your TRSL account

- TRSL's Member Access is a secure website where you have all the tools you need to plan for retirement:



- View service credit, contributions and beneficiary designations
- Create a benefit estimate
- Update your name or address
- Apply for retirement

**Create your account today!**

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TRSL

April 2015

## Summer workshops: We're ready! Are you?

We've scheduled our "Planning for Your Retirement" workshops for the summer. And we'll be coming to a city near you.

If you are within five years of retirement or DROP eligibility, then this workshop is perfect for you! We'll discuss the benefits of your TRSL membership, go over the retirement process, and answer all your retirement questions, such as:

- How is my benefit calculated?
- Can I name both of my children as beneficiaries?
- Should I go into DROP?
- What happens to my sick leave?
- Will I get Social Security?

Remember... it's never too early to start your retirement planning. Check out our workshop [schedule](#) and [register](#). We look forward to seeing you there!



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### Address or name changes

[Active Member Change of Address Authorization](#) (Form 2AC)  
[Active Member Name Change Request](#) (Form 2NC)  
[Retiree Change of Address Authorization](#) (Form 15C) - *Survivors, beneficiaries, and alternate payees*  
[DRP Member Change of Address Authorization](#) (Form 166C)

# www.TRSL.org

[Direct Deposit of DROP or ILSB Account Withdrawals](#) (Form 11R) - *Use 15D for regular benefits*  
[Direct Deposit of Benefits](#) (Form 15D) - *Use 11R for DROP or ILSB account withdrawals*  
[Addendum to Direct Deposit of Benefits - Nonspousal Joint Signer\(s\)](#) (Form 15JS)



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