

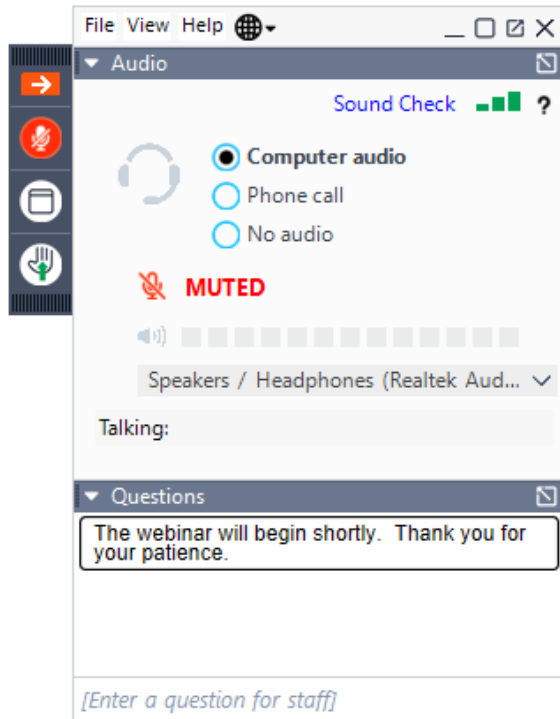


Leave Credit – Did you know?

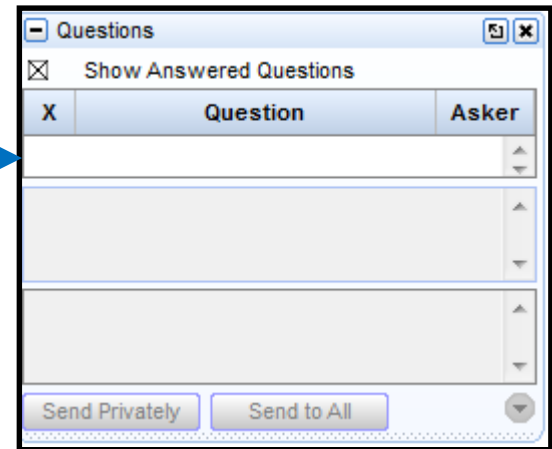
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- This presentation contains general information.
- It is meant to be used as a guide during the webinar.
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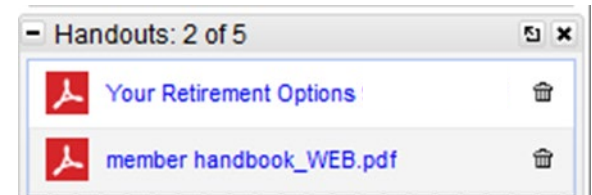
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If you have any specific questions about your retirement (such as DROP window, retirement eligibility, FAC questions, etc.) please email us at web.master@trsl.org so we can look up your account and assist you directly.

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.

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

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- 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 \times 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 \times 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 of service credit**

What happens to my annual leave?

- Employees of Louisiana state agencies, colleges, universities, community colleges, and technical colleges may earn annual leave.
- Members who earn annual leave are usually paid up to 300 hours or 37.5 days of annual leave by their employers upon termination of employment.
- Review your employer's policy on annual leave before retirement. If you anticipate having more than 300 hours of annual leave upon retirement, have your employer report your unused balance to TRSL.

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?

If you have specific questions about your TRSL retirement, email us for a direct reply:



web.master@trsl.org

Questions about...

DROP window

Eligibility

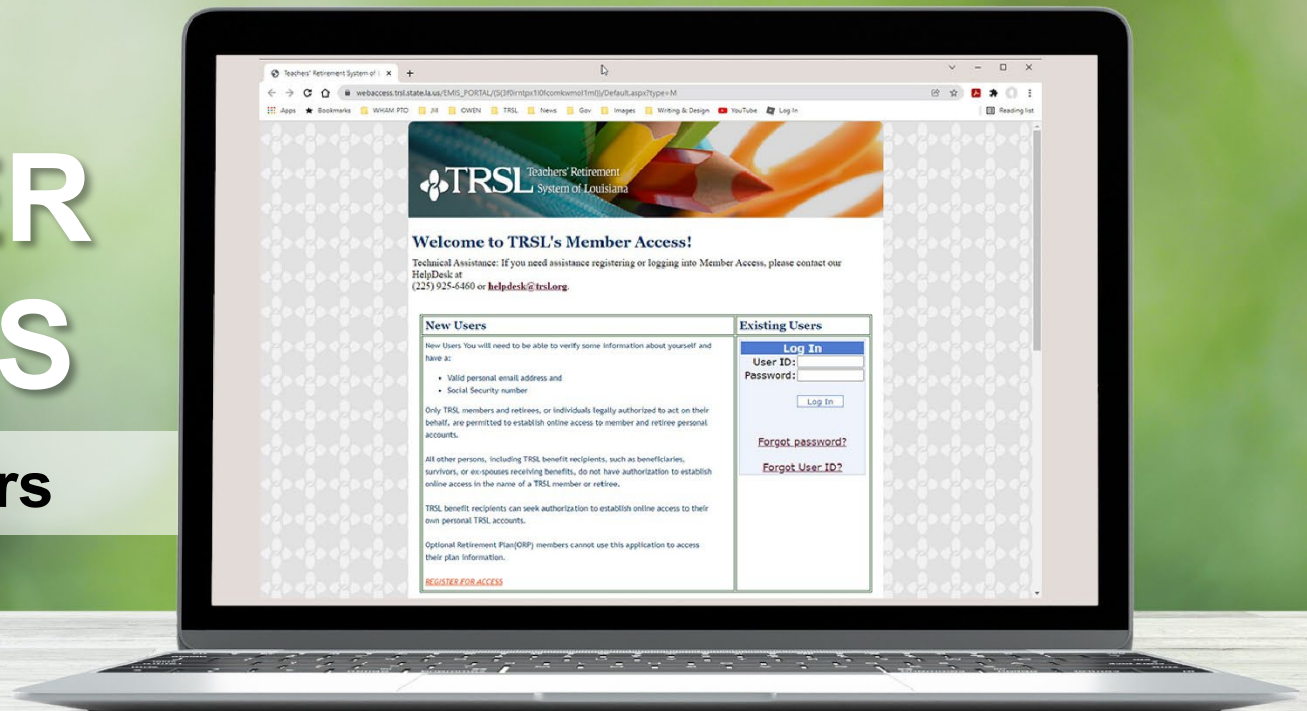
Benefit estimate

FAC

And more!

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