LAKE-SUMTER STATE COLLEGE ADMINISTRATIVE PROCEDURE

TITLE: TERMINAL PAY FOR REGULAR EMPLOYEES

NUMBER: PRO 5-32

REFERENCE: Board Rules 5.01, 5.07, 5.13

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I. PURPOSE

Terminal pay for unused sick leave accumulated at, or transferred to, Lake-Sumter State College and unused vacation leave accumulated at Lake-Sumter State College will be paid to a regular employee who terminates their employment at the College or to the employee's beneficiary if service is terminated by death. In addition, eligible 9, 10 and 12-month employees who transfer to a position at the College that is not eligible for sick and/or vacation leave shall be paid terminal pay for earned but unused leave upon transition to the new position. All terminal pay shall be paid out per applicable Florida law and procedures.

II. **RESPONSIBILITY**

Oversight for this procedure falls under the supervision of the - Vice President of Finance/CFO

III. SCOPE

This Policy applies to regular 9, 10, and 12-month employees who are eligible to earn sick and/or vacation leave.

IV. DEFINITIONS

<u>Instructional Faculty</u>: Instructional Faculty employees on 9-month contracts are employed on a 167-day contract, work 35 hours per week, and have more than 50% instructional duties. Instructional Faculty employees on 12-month contracts are employed on a 236-day contract, work 35 hours per week, and have more than 50% instructional duties. <u>Non-Instructional Faculty</u>: Employees in non-instructional faculty (Librarians) positions have 50% or less instructional duties. Non-Instructional Faculty are on 12-month contracts and require 37.50 hours work per week.

<u>Educational Support Employees</u>: Educational Support Employees are Staff employees in the Support, Crafts, Technical, Professional, Administrative -Managerial and Administrative-Student Support Classifications.

Employees Other than Educational Support Employees are Staff employees in positions classified as Administrative-General and Executive Management.

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V. ELIGIBILITY

- a. Non-instructional employees are expected to work during their resignation notice period. Non-duty days, including college-observed holidays, spring break, and winter break, accrued vacation, sick leave, or comp time may not be used to satisfy the notice requirements as part of the resignation notice period.
- b. Additionally, non-instructional employees must be in a paid status on the day before and the day after college-observed holidays, spring break, and winter break to be paid for the holiday or break period. If an employee separates employment on the day before the beginning of winter or spring break, he/she is not entitled to be paid for the break period.
- c. Failure to perform assigned duties during the resignation notice period will be considered absence without leave and accumulated vacation or sick leave that is eligible for payment and/or transfer may be subject to loss.
- d. Terminal pay will be paid to a regular employee who terminates employment at the College, provided the employee meets the notice requirements indicated below.

Employee Classification	Written Notice Requirement
Full-Time Instructional & Non-	Four weeks written notice to Dean & Human
Instructional Faculty	Resources
Administrative-General Class	30-days written notice to Division VP & HR
Administrative-Managerial Class	Two weeks written notice to Division VP & HR
Administrative-Student Support Class	Two weeks written notice to Supervisor & HR
Professional Class	
Technical Class	
Support Class	
Crafts Class	

- e. Failure to provide required written notice will be cause for accrued leave to not be paid.
- f. Regular employees are eligible to receive terminal pay benefits based on their respective position classifications as Instructional faculty and Non-Instructional faculty, educational support employees, including Support, Crafts, Professional, Technical, Administrative-Managerial and Administrative-Student Support classifications, and employees other than educational support employees, including Administrative-General, and Executive Management classifications, as long as official notice has been provided as outlined above.

Process:

- a. Employees will submit written notification of their intent to resign to their immediate supervisor prior to the required notification period.
- b. Supervisor will complete a Separation EAR in Workflow and attach a copy of the resignation/retirement letter.
- c. The Human Resource office will electronically send the Exit Checklist to the employee for completion and return to the HR office on or before their last work day.

- d. Employees will call the Human Resources office to discuss the necessary requirements to receive terminal pay benefits.
- e. Terminal sick and vacation leave payments to employees separating from the College will be made in the final paycheck only after the employee completes and returns all requirements including the Employee Exit Checklist and college property.

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- f. Upon receipt of the DROP Notice of Election form completed by the employee, DROP participants who elect to do so will be paid terminal vacation pay into their BENCOR account the day preceding the DROP begin date.
- g. Terminal sick and vacation leave payments to employees retiring from the College will be made directly to their BENCOR account after their final LSSC paycheck is processed.

VI. PROCEDURES

Terminal pay provisions for all regular employees:

- a. For purposes of calculating terminal pay, a year of service will be credited when the employee serves one day more than one-half of the number of days in the contract year or fiscal year, whichever is applicable, or the equivalent.
- b. To calculate the daily rate of pay for terminal payments:
 - i. The daily rate of pay for nine-month instructional employees is determined by dividing the annual rate for nine months by 167;
 - ii. The daily rate of pay for twelve-month instructional employees is determined by dividing the annual rate for twelve months by 236;
 - iii. The daily rate of pay for ten-month non-instructional employees is determined by dividing the annual rate for ten months by 197.
 - iv. The daily rate of pay for twelve-month employees is determined by dividing the annual rate for twelve months by 260.
- c. For employees classified under (VI)(b)(iv), who were employed with the College on or before January 1, 2016, the terminal pay factor for the number of days worked in a year will remain at 239 days.
- d. An involuntarily separated employee shall be paid for a maximum of 44 days, or 330 hours, of accumulated vacation leave at the daily rate of pay.
- e. If an employee receives terminal pay benefits based on unused sick leave, the unused sick leave balance will become zero; however, if an employee separates employment without receiving the sick leave terminal pay and is reemployed by the College, the employee's unused sick leave credit will be reinstated to their sick leave balance.

Employee Type	Terminal Pay: Sick Leave	Terminal Pay: Vacation Leave		
All Full-time Regular Employees				
Instructional Faculty	After being credited with ten (10)			
	years of service, Instructional			
	employees may be paid the current			
	daily rate of pay multiplied by 50			
	percent times the number of days of			
	accumulated and unused sick leave			
Non-Instructional	After being credited with ten (10)	After being credited with ten (10) years		

Faculty	years of service, Instructional	of service, the daily rate of pay
	employees may be paid the current	multiplied by 100 percent times the
	daily rate of pay multiplied by 50	number of days accumulated and
	percent times the number of days of	unused vacation leave not exceeding 44
	accumulated and unused sick leave	days (330 hours)

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Employee Type	Terminal Pay: Sick Leave	Terminal Pay: Vacation Leave	
All Full-time Regular Employees (Continued)			
Educational Support Employees	After being credited with ten (10) years of service, the daily rate of pay is multiplied by 50 percent times the number of days of accumulated and unused sick leave	After being credited with ten (10) years of service, the daily rate of pay multiplied by 100 percent times the number of days accumulated and unused vacation leave not to exceed 44 days (330 hours), unless the College has a claim against the employee or the employee's benefits.	
Administrative- General and Executive Management	After being credited with ten (10) years of service, the daily rate of pay is multiplied by 25 percent times the number of days of accumulated and unused sick leave. which shall not exceed a maximum of 60 days.	After being credited with ten (10) years of service, the daily rate of pay multiplied by 100 percent times the number of days accumulated and unused vacation leave not exceeding 44 days (330 hours), unless the College has a claim against the employee or the employee's benefits.	

- f. Terminal Pay Provisions for Employees entering or in the Florida Retirement System Deferred Retirement Option Program (DROP).
- g. In lieu of payment at the time of termination, employees electing to participate in the Deferred Retirement Option Program (DROP) may elect to be paid for unused vacation leave in accordance with this policy effective the day preceding the DROP begin date. Employees electing such lump-sum payment will not be eligible to receive a second lump-sum payment upon termination, except to the extent that they have earned additional vacation leave which combined with the original payment does not exceed the lump-sum payment allowed under this policy.

HISTORY: NEW - 2/01/2016 AMENDED - 1/01/2019, 5/26/2020, 10/1/2022, 11/2023