

## FINANCIAL MANAGEMENT

### Conversion of Accumulated Sick Leave

#### Current Employees

In January, each eligible current employee of Kennewick School District may elect to convert excess sick leave to monetary compensation as provided below. In order to be eligible an employee shall:

1. Be an employee of the Kennewick School District.
2. Shall have accumulated in excess of sixty (60) full days of unused sick leave at a rate of accumulation no greater than one full day per month (a maximum of twelve (12) days per year) as of the end of the previous calendar year.
3. Shall provide written notice to the payroll office on the District form during the month of January of his/her intent to convert excess sick leave days to monetary compensation.
4. The number of sick leave days which an eligible employee may convert shall be determined by:
  - a. Taking the number of sick leave days in excess of sixty (60) full days that were accumulated by the employee during the previous calendar year at a rate of accumulation no greater than one (1) full day per month of employment as provided by the leave policies of the Kennewick School District (a maximum of twelve (12) days per year);
  - b. Subtracting therefrom the number of sick leave days used by the employee during the previous calendar year.

The remainder, if positive, shall constitute the number of sick leave days which may be converted to monetary compensation.
5. Sick leave days that are eligible for conversion shall be converted to monetary compensation at the rate of twenty-five percent of an employee's current full-time daily rate of compensation for each full day of eligible sick leave. Partial days of eligible sick leave shall be converted on prorata basis.
6. All sick leave days converted pursuant to this section shall be deducted from an employee's accumulated sick leave balance.
7. Compensation received pursuant to this section shall not be included for the purpose of computing a retirement allowance under any public retirement system in this state.

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Conversion Upon Retirement or Death

1. A current employee who subsequently terminates employment due to either retirement or death may personally, or through his/her estate in the event of death, elect to convert all eligible, accumulated unused sick leave days to monetary compensation as provided in this section. In order to receive reimbursement for unused sick leave, pursuant to this chapter, at the time of separation from the Kennewick School District due to retirement, an employee must have separated from such employment and have been granted a retirement allowance under the laws governing the teachers' retirement system or the public employees' retirement system, whichever applies; however, it is not necessary that the employee actually file for retirement prior to the date of his/her separation so long as the application is thereafter filed within a reasonable period of time and without the occurrence of any intervening covered employment: **Provided**, that the maximum number of days that may be converted pursuant to this section for a school district employee shall be one hundred eighty days.
2. All unused sick leave days that have been accumulated by an eligible employee at a rate of accumulation no greater than one (1) full day per month of employment as provided by the leave policies of the Kennewick School District (a maximum of twelve (12) days per year), less sick leave days previously converted and those credited as service rendered for days previously converted and those credited as serviced rendered for retirement purposes, may be converted to monetary compensation upon the employee's termination of employment due to retirement or death.
3. Sick leave days that are eligible for conversion shall be converted to monetary compensation at the rate of twenty-five percent of an employee's full-time daily rate of compensation at the time of termination of employment for each full day of eligible sick leave. Partial days of eligible sick leave shall be converted on a prorata basis.
4. All sick leave days converted pursuant to this section shall be deducted from an employee's accumulated sick leave balance.
5. Compensation received pursuant to this section shall not be included for the purpose of computing a retirement allowance under any public retirement system in this state.

Basis of Accounting for Accumulated Sick Leave Balance for Buy Out Purpose

1. Sick leave for buy out purpose shall be earned, used, and converted to monetary compensation on a last-in first-out (LIFO) basis in accordance with the provisions of this chapter. The reduction to one hundred eighty (180) days on December 31, 1983 and each year thereafter, as provided in [WAC 392-136-075](#), shall be on a LIFO

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basis, after the December 31 balance has first been reduced for any front end loaded unearned days which may be posted for sick leave purpose but not earned for sick leave buy out purpose.

Annual One Hundred Eighty (180) Day Limitation

The maximum accumulated sick leave balance for buy out purpose shall be controlled as follows:

1. Commencing on each midnight December 31 and prior to the addition of sick leave earned for January, but after the transactions for sick leave earned and used for December and after reductions of sick leave balance due to conversion of sick leave during January, each employee of a school district shall be limited for sick leave buy out purpose to a maximum earned sick leave balance of one hundred eighty (180) days on such date and time. This balance does not include any front end loaded or other days which may be posted for sick leave purpose but not earned for sick leave buy out purpose.
2. At the end of each month there shall be added to the accumulated sick leave balance of each employee for sick leave buy out purpose sick leave earned during that month.
3. Each employee whose sick leave balance for buy out purpose exceeds one hundred eighty (180) days on midnight December 31, computed in accordance with the first paragraph of this section, shall lose days accumulated that are in excess of this maximum in January of each year if such employee fails to exercise the annual buy out option provided for in this chapter or if such employee's sick leave buy out balance exceeds this maximum for any other reason.