

December 7, 1998

M E M O R A N D U M

TO : Agency Director

FROM: Employees' Retirement System of Alabama

RE : Conversion of Unused Sick Leave to Retirement Service Credit

Section 36-26-36.1, Code of Alabama 1975, allows certain members of the Employees' Retirement System to elect, at the time of their retirement, to convert unused sick leave to retirement credit. The employing agency has the option to elect to come under the provisions of the statute. The provisions of the statute are as follows:

1. Applies only to employees who, after converting unused sick leave days to service credit, meet the minimum qualifications for service retirement. The minimum qualifications for service retirement are age 60 with at least 10 years of creditable service or 25 years of creditable service, regardless of age.
2. A member retiring on a disability may convert unused sick leave to retirement credit only if he/she meets the minimum qualifications for service retirement after converting unused sick leave days to service credit.
3. Members who are entitled to payment at retirement for accrued unused sick leave may elect to receive retirement credit in lieu of payment for the sick leave. Members who are entitled to no payment at retirement for accrued unused sick leave may receive retirement credit for the sick leave.
4. Conversion of unused sick leave may not be used for deferred retirement.
5. The maximum number of days that may be converted is the maximum number of days of sick leave that may be accrued by employees of the agency.

The following chart will be used by the Retirement System to convert sick leave to retirement service credit. Please note that the chart lists accrued sick leave days through 370. However, under the provisions of §36-26-36.1, the maximum number of days that may be converted is based upon the accrual limits of the agency.

<u>Accrued Sick Leave Days</u>	<u>Service Credits (Months)</u>
0-10	0
11-30	1
31-50	2
51-70	3
71-90	4
91-110	5
111-130	6
131-150	7
151-170	8
171-190	9
191-210	10
211-230	11
231-250	12
251-270	13
271-290	14
291-310	15
311-330	16
331-350	17
351-370	18

If your agency wishes to come under the provisions of §36-26-36.1 as described above, please use the enclosed Model Resolution as a guide in preparing a Resolution to elect to come under the provisions of the statute.

If you have any questions regarding this matter, please notify this office.

/jmb

Enc.

cc: File

MODEL RESOLUTION

Be it resolved by the (Governing Board) of the (Name of Agency) that the (Name of Agency) elects to come under the provisions of §36-26-36.1, Code of Alabama 1975, authorizing conversion of unused sick leave to retirement service credit.

Be it further resolved that by electing to come under the provisions of §36-26-36.1, the (Name of Agency) agrees to assume the cost of benefits provided by said Act with regards to its employees who are members of the Employees' Retirement System of Alabama.

Be it further resolved that the provisions of §36-26-36.1 shall become effective on the date of adoption of said Resolution.

I (Name, Official Title, Name of Agency), hereby certify that the foregoing is a true and correct copy of the Resolution adopted on (Month/Day/Year).

Signature of Official

Official Title