

EMPLOYEE ACCUMULATED LEAVE INCENTIVE PLAN

Frequently Asked Questions (FAQ)

1. What is the Employee Accumulated Leave Incentive Plan (ALIP)?

The ALIP is a plan to retain employees and to promote good employee attendance by offering a “pay-out” for earned accumulated leave upon separation from the District.

2. What is the purpose of the ALIP?

The purpose of this plan is to encourage employees to improve attendance by rewarding those who have accrued a balance of accumulated leave by providing compensation upon separation from the District, in accordance with the plan requirements. This will reward employees for their years of service to the District and should increase employee retention.

3. When did the ALIP go into effect?

The Incentive Plan went into effect December 8, 2009.

4. How long will the ALIP continue?

The intent is to continue the ALIP in future years. However, future funding cannot be guaranteed and the District reserves the right to suspend, terminate, or change the ALIP at any time and for any reason.

5. Who is eligible to receive benefits from the ALIP?

Retiring Employees:

- Must be eligible for retirement under applicable TRS guidelines
- Employees who meet TRS guidelines for retirement and who retire after December 8, 2009, are eligible for the Incentive Plan.

Resigning Employees:

- Must be full-time employees, as defined by District Policy; and
- Must complete the work day calendar for current year; and
- If resigning at the end of the current work year, the resignation letter must be received by the Human Resources Department no later than April 15th (or the next business day if the 15th is on a weekend) or Incentive eligibility will be forfeited; and
- If resigning, must have ten (10) years of consecutive, full-time, service immediately preceding resignation

Not Eligible: All temporary, part time, and substitute employees as defined by District Policy; employees who are terminated or non-renewed from employment; employees who have retired under TRS guidelines prior to December 8, 2009.

6. Does an employee who is on leave of absence qualify for the ALIP?

Yes, provided the employee meets the eligibility requirements outlined in #5.

7. Is an employee who uses days during the workday calendar eligible for the ALIP?

Yes. However, this will reduce the employee’s accumulated leave balance and decrease the incentive amount received upon retirement or separation.

8. What days will be counted as earned accumulated leave for the purpose of the ALIP?

Earned:

- State Leave earned prior to 1995
- State Personal Leave
- SAISD Local Leave

Non-eligible Days: Non-duty days; compensatory time; unearned State and SAISD local leave

9. How much will be paid per earned day?

Exempt Employees: \$88.00 per day

(Salaried employees who do not receive compensation for working beyond their regularly scheduled work hours)

Non-Exempt Employees: \$50.00 per day

(Employees who are entitled to overtime compensation for all hours physically worked beyond 40 in a work week)

Note: Partial days will be paid at pro-rated per day amount.

10. How can an employee determine the ALIP amount he/she may be eligible to receive?

A leave calculator is available on the SAISD Human Resources webpage to assist employees in determining their leave balances.

Note: The leave balance provided by this tool is an approximation based on information currently available. Leave balances will be updated and verified before being finalized.

11. How will the ALIP be calculated if an employee has District experience as both an exempt and a non-exempt employee?

The ALIP will be calculated based upon the employment status (exempt/non-exempt) at the time of separation.

12. What is the minimum number of days of accumulated leave an employee must have to be eligible for the Incentive Plan?

The value will not be less than \$100.00 which equals:

Exempt Employees: more than 1.1 days

Non-Exempt Employees: more than 2.0 days

13. When and how will contributions be made?

- The District will contribute the value of the employee's accumulated leave balance within 60 workdays after separation, death or disability (disability must include separation from the District)

Note: Separation is defined as the last date of the month in which an employee terminates employment with the District through retirement, resignation, or disability. The 60 day calculation begins on the first working day of the month following the separation date.

- Contributions of \$200.00 and above will be made into a District directed 403(b).

Note: Contributions of more than \$100.00 but less than \$200.00 will be paid directly to the employee by the District and all applicable State and Federal deductions will apply.

- 14. Why will contributions be made to a 403(b) rather than directly to an employee?**
Payments made to a 403(b) are not subject to federal income tax, TRS or FICA this allows the employee to receive more of the money. Federal taxes will be due at the time of withdrawal.
- 15. How soon can employees withdraw their contribution from the 403(b)?**
After the District has deposited the accumulated earned leave contribution into the 403(b), 60 workdays after separation, death or disability (disability must include separation from the District) qualified employees may withdraw their funds subject to 403(b) regulations.
- 16. How does an employee access his/her contribution from the 403(b)?**
Employees will contact Axa Equitable, which is the 403(b) plan provider. Each employee eligible for a benefit will have an account. Licensed and certified financial advisors from Axa Equitable will be providing support to the District on this matter and the service will be at no cost to employees. Any questions regarding your 403(b) contribution options can be directed to Jerald Reiner at (210) 348-1369 or Ken Sedlock at (210) 348-1365. You can also email them at jerald.reiner@axa-advisors.com and/or kenneth.sedlock@axa-advisors.com.
- 17. Will there be penalties for withdrawing funds from the 403(b)?**
Answers vary based upon an employee's personal circumstances. Therefore, all questions regarding withdrawals, penalties, and tax implications can be referred to Axa Equitable as indicated in #16 above or to the employee's personal financial advisor at the employee's discretion.