# Sick/Personal Leave and Salary Continuation

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Introduction
Continuing your income while you are sick or have a non-work related injury is likely one of your top priorities. It is an RIT priority, too. That’s why RIT provides Sick/Personal Leave or Salary Continuation benefits. This summary explains the Sick/Personal Leave and Salary Continuation benefits in detail.

Sick/Personal Leave and Salary Continuation benefits are self-insured by RIT and paid from RIT’s general assets.

Important Note About Passwords
Password security is critical due to the confidential, private, and financial data that is available online. The employee/participant/covered family member is responsible for maintaining security of their passwords and adhering to RIT information security polices and standards.

Sick/Personal Leave for Nonexempt Staff (hourly)
All regular nonexempt employees (full-time and part-time) are eligible for paid Sick/Personal Leave upon hire; the time is prorated for new hires as well as for those scheduled to work less than 12 months per fiscal year. The Sick/Personal Leave is calculated and tracked in RIT’s time keeping system in hours, based on the individual’s scheduled weekly hours.

Nonexempt Staff Employees Scheduled to Work 12 Months Per Fiscal Year
Beginning each July 1, each regular full-time employee scheduled to work a standard 5-day work week, receives nine Sick/Personal days for the fiscal year. To calculate the number of hours of Sick/Personal Leave per fiscal year for all nonexempt employees scheduled to work 12 months per year, the scheduled hours per week is multiplied by a factor of 1.8 (9 days per year divided by 5-day week).

Example 1 (full-time): Scheduled weekly hours = 40
Sick/Personal Leave = 40 x 1.8 = 72 hours per fiscal year

Example 2 (part-time): Scheduled weekly hours = 20
Sick/Personal Leave = 20 x 1.8 = 36 hours per fiscal year

Nonexempt Staff Employees Scheduled to Work Less Than 12 Months Per Fiscal Year
Effective August 1, 2012, Sick/Personal Leave is prorated for new hires and for existing employees who change jobs if scheduled for less than 52 weeks per fiscal year. Staff employees who are scheduled to work less than 12 months per year as of July 31, 2012 will be grandfathered under the previous benefit and will not have prorated Sick/Personal Leave.

For example, an employee hired on or after August 1, 2012 who is scheduled to work 40 hours a week, 44 weeks per year, will have 61.2 hours of Sick/Personal Leave as of each future July 1.

44 weeks / 52 weeks = .85 pro-ration factor
40 x 1.8 = 72 hours x .85 = 61.2 hours

Sick/Personal Leave for New Hires
Upon hire, a regular nonexempt employee would be eligible for prorated Sick/Personal leave based on their scheduled weekly hours and how many months are left in the fiscal year.
Using Sick/Personal Leave
The fiscal year Sick/Personal Leave hours will be “front loaded” each July 1st (or upon hire) with the total annual Sick/Personal Leave hours available to the employee; the balance will decrease as Sick/Personal Leave is used. Employees will be able to view the remaining Sick/Personal Leave through Oracle Employee Self-Service on the online payslip.

For example, full-time employee works 40 hours a week so receives 72 hours of Sick/Personal Leave as of July 1. If the employee is out sick on July 25 for eight (8) hours, the Sick/Personal Leave amount will show 64 hours remaining on the next online payslip (72 hours less 8 hours).

Employees should use Sick/Personal Leave if they are not at work due to:
1. their own illness (up to 5 consecutive days);
2. a family member’s illness (up to 5 consecutive days);
3. personal appointments (e.g., doctor, dentist, teacher conference, etc.); or
4. other time as needed (e.g., car breaks down on the way to work, there is a flood in their basement, etc.).

The employee should notify the supervisor as soon as possible that he/she will be absent. If the employee is scheduling a personal appointment, he/she should notify the supervisor in advance.

Cash-Out of Sick/Personal Leave for Nonexempt Staff Employees at End of Fiscal Year
A nonexempt employee who does not use all of his or her Sick/Personal Leave hours by the end of the fiscal year will receive a cash-out of a portion of the unused Sick/Personal Leave hours (does not include Grandfathered Sick Bank as described below), except as noted below for the fiscal year ending June 30, 2020. The cash-out will be automatically contributed to the RIT Retirement Savings Plan, unless the employee elects to receive the cash-out as additional taxable pay. If contributed to the employee’s retirement account, the cash-out would be pre-tax and equal to three-quarters (¾) of the value of the employee unused Sick/Personal Leave. If taken as taxable pay, the cash-out would be one-half (½) of the value of the employee’s unused Sick/Personal Leave hours. If the employee does not have an account under the Retirement Savings Plan, the cash-out would be a taxable payment equal to one-half (½) of the value of the employee’s unused Sick/Personal Leave hours.

The retirement plan contribution is subject to FICA tax. To avoid the confusion, and in some cases financial hardship, we will minimize the impact of the required tax withholding. We will set the cash-out up as follows:

- 90% of the cash-out amount will be contributed to the retirement plan;
- 10% of the cash-out will be paid in cash. This 10% will cover the 7.65% FICA tax as well as the additional Federal and state income tax on the cash portion.

Example: Mary is full-time and works 8 hours a day for a total of 40 hours per week at an hourly rate of $15; she is eligible for 72 hours of sick/personal leave each fiscal year. She used only three (3) sick/personal days (24 hours) so she has 48 hours remaining, with a total value of $720.

The total value of the ¾ cash-out amount to the retirement plan is $540. To cover the FICA taxes that are required on the contribution, the retirement plan contribution will be 90% of this amount or $486. The remaining $54 would be as taxable pay to cover the $41.31 of FICA tax. If Mary elected the cash-out in taxable pay, the amount would be $360 before Federal, FICA, and state taxes are withheld.

The form to elect the cash-out as taxable pay will be posted on the HR website in the Forms section in late May each year. The cash-out is generally paid in mid-August.

In order to qualify to receive that year’s cash-out, an employee must be employed on June 30th. If June 30th falls on a weekend, the employee must be employed on the last business day of June. Employees who retire
on June 30 (or the last business day of June if June 30 falls on a weekend) are eligible for the cash-out. An employee who transfers from nonexempt to exempt status during the year will not qualify for a cash-out. In addition, there will not be a cash-out in the event of termination of employment, including retirement, during the year.

**Special Rule for the Fiscal Year Ending June 30, 2020**
Due to the financial impact of the COVID-19 pandemic, the university is making a one-time change in our procedure for the sick/personal time cash-out for nonexempt employees. If a nonexempt employee has any remaining sick/personal time as of June 30, 2020, the time will automatically carry over to next fiscal year instead of being cashed out. (As you recall, nonexempt employees have had the option of receiving 50% of the value of unused sick/personal time as taxable pay or 75% of the value contributed to their account in the RIT Retirement Savings Plan [403(b)].

Those who have remaining sick/personal time will have this time added to the amount that they normally receive at the start of the new fiscal year. You do not need to take any action. Any time carried over will show in your records after all the fiscal year end processes have been completed; we expect this to be by July 10, 2020.

It is important to note that this is a **one-time** change in the way remaining sick/personal time is administered.

**Salary Continuation for Exempt Staff and Faculty (Salaried)**
Regular exempt staff and faculty should use salary continuation if they are not at work due to their own illness or a family member's illness. Salary continuation is available when the absence is for five (5) consecutive business days or less and is paid at 100% of regular base pay. An exempt employee can use a maximum of 12 Salary Continuation days per fiscal year to take care of an immediate family member (see the definition below).

Salary Continuation is tracked in Oracle Employee Self-Service if the absence is to take care of an immediate family member; this time is tracked to support the requirements of New York State Paid Family Leave. The absence type is called *Ex Family Member Ill Absence*. Salary Continuation absences to care for an immediate family member are tracked in hours and the absence is entered in the same manner as vacation absences. The time is taken in half-day or full-day increments. For help, refer to the *Employee User Guide* found on the HR website.

Salary Continuation is not tracked in Employee Self-Service when the absence is for the employee’s own illness.

**Grandfathered Sick Bank**
An employee who was a regular RIT employee and who had unused Sick Leave as of June 30, 2005 had a Grandfathered Sick Bank. An employee who has a remaining Grandfathered Sick Bank can use it for the purposes outlined below.

- Nonexempt employees can use the Grandfathered Sick Bank as sick time if they are absent after they use the current year’s Sick/Personal Leave.
- Nonexempt and exempt employees can use the Grandfathered Sick Bank to supplement the 80% short-term disability (STD) benefit if STD is longer than eight (8) weeks to bring them to 100% of base pay.
- A nonexempt or exempt employee on Workers Compensation for more than eight (8) weeks can use the Grandfathered Sick Bank to supplement the statutory Workers Compensation benefit to bring them to 100% of base pay.
- Nonexempt and exempt employees may use the Grandfathered Sick Bank when absent for their own serious health condition when approved under FMLA but not under STD.
• Nonexempt and exempt employees may use the Grandfathered Sick Bank when taking care of a qualified family member with a serious health condition when approved under FMLA.
• Nonexempt and exempt employees may use the Grandfathered Sick Bank to supplement New York State Paid Family Leave to bring them to 100% of base pay.

A nonexempt employee must use the current year's Sick/Personal Leave before using the Grandfathered Sick Bank.

Any time from the Grandfathered Sick Bank is used “1-for-1” meaning that you will use one day to supplement any portion of a day absent from work. For example, if you are receiving the 80% STD benefit and supplement with the Grandfathered Sick Bank, you will use one Grandfathered Sick Bank day for each day you supplement the 80% STD benefit.

Grandfathered Sick Bank is not cashed out upon termination of employment or retirement and is not reinstated if you are rehired at a later time.

Other Information Regarding Absences

Absence Reporting
Employees who are unable to report to work due to an absence must notify (or have someone else notify, if unable) their immediate supervisor or the department head within a minimum of one hour of their scheduled reporting time. You do not need to give details about your medical condition, just let your supervisor know that you are unable to work.

Sick/Personal Leave During University/Building Closing
If the university closes or a building closes for the day, opens late, or closes early (e.g., weather-related, power outage in a building) when a nonexempt employee is not at work using Sick/Personal Leave, the time due to the closing will be counted as Sick/Personal Leave.

Illness in the Immediate Family
Paid time off is provided to employees whose presence is required to care for an ill member of their immediate family. For the purpose of this policy, “immediate family” is defined as: spouse/domestic partner, child, step-child, ward, mother, mother-in-law, father, father-in-law, brother or sister. A nonexempt employee may use up to five (5) consecutive Sick/Personal Leave days per incident. An exempt employee may use up to five (5) consecutive Salary Continuation days per incident. Periods of such absence beyond five consecutive working days require the use of vacation time, or may be granted as an unpaid leave of absence. Both the use of vacation time and unpaid leave of absence are subject to the approval of the supervisor in consultation with Human Resources. An exempt employee can use a maximum of 12 Salary Continuation days per fiscal year to take care of an immediate family member.

If the absence exceeds five consecutive working days to care for a family member, the employee may qualify for leave under the Family and Medical Leave Act (FMLA) and/or New York State Paid Family Leave (NYS PFL). Refer to those summaries for more details. Please note that the definition of eligible family member differs under FMLA, NYS PFL and the Sick/Personal and Salary Continuation benefit.

Sick/Personal Leave and Retirement Transition Program
Nonexempt employees participating in the Retirement Transition Program continue to be eligible for Sick/Personal Leave. The amount of Sick/Personal Leave will be prorated on a prospective basis based on the work schedule while on Retirement Transition.
**Sick/Personal Leave and Salary Continuation While on Approved Leave of Absence**

Sick/Personal Leave and Salary Continuation are not available while on an approved leave of absence. When a leave of absence crosses over into a new fiscal year, the employee may not use the new fiscal year’s Sick/Personal Leave or Salary Continuation until he/she physically returns to work.

**Extended Illness**

When an employee’s non-work-related illness or injury extends beyond seven (7) consecutive calendar days, the employee must apply for Short Term Disability benefits (refer to Short Term Disability summary).

**If You Have Questions**

If you have any questions about Sick/Personal Leave, Salary Continuation, or the Grandfathered Sick Bank, contact the RIT Human Resources Department.