

**Unused Paid Leave Pay-Out:**

**Amount** - Upon an eligible administrator's termination of employment with the District, the administrator's accrued Paid Leave will be contributed to a Tax-Sheltered Annuity (TSA) account in the manner and amount outlined below. Eligible administrators terminated for cause shall not be eligible for the Post-Employment Benefit.

A terminating administrator shall receive a Post-Employment Benefit equal to a portion of unused Paid Leave according to the following schedule:

Days 0-60 are paid at 25% of daily per diem  
Days 61-100 are paid at 50% of daily per diem  
Days 101-140 are paid at 75% of daily per diem  
Days 141+ are paid at 100% of daily per diem

**Distribution** - When the total Post-Employment Benefit due to the employee is less than \$2,000, the contribution shall be paid as a lump-sum taxable payment directly to the eligible administrator, subject to all applicable taxes and adjustments to employee wages. The employer contribution shall be made by the next regularly scheduled payroll date following the date of the eligible administrator's termination of employment.

When the Post-Employment Benefit is equal to or greater than \$2,000, the District shall deposit the contribution amount to the eligible administrator's District-approved TSA account. This non-elective contribution to the TSA account shall be made by September 1 following the date of the eligible administrator's termination of employment, unless the total contribution would exceed IRS Section 415 annual contribution limits. In the case of accrued contributions in excess of the IRS Section 415 limit, the excess amount will be deferred to the next tax year and shall be made, up to the maximum IRS Section 415 contribution limits, by each subsequent September 1 until the total Post-Retirement Benefit is paid, subject to IRS rules regarding the timing of post-employment benefit payments.

**Benefits Upon Death** - For purposes of the benefits described in this section, if an employee dies during active employment with the District at a time when the employee has met all eligibility criteria except that the employee had not yet retired or terminated employment with the District, the benefits described in this section will vest upon the employee's death in the same manner as if the employee had retired. No benefit described in this section may vest prior to an employee's death or separation of employment.

Upon the receipt of notice by the District of the death of an eligible administrator vested in and receiving a Post-Employment Benefit prior to the full payment of the Post-Employment Benefit under this section, one final payment in the amount of the remaining Post-Employment Benefit obligation will be made by the District to the deceased employee's TSA account (subject to IRS Section 415 contribution limits). If any Post-Employment Benefit in excess of the IRS Section 415 contribution limits remains after this payment, the excess amount shall be paid to the employee's estate as a lump-sum cash benefit.