



## Leave of Absence

### *Definition:*

**Regular** – a leave request that is occurring during the same academic year as the leave occurred. Once the Report of Status is received from the employer, an Election Form is then sent to the member. If the member returns the Election Form and requests to make the purchase, the request for purchase is made. The cost for a Regular Leave does not include interest and is quoted and usually paid in monthly installments or in a lump sum.

**Deferred** – a leave request that has already past and requires interest payments to be added. If the leave request occurred after the academic year ended, it is a deferred leave. If the member is requesting an updated cost for a regular leave, it is now considered a deferred leave.

### *Eligibility/Rules:*

- Cannot purchase or contribute more than 3 years during any 10 year period
- Member must return from leave of absence to a position of at least the same percentage of time as when leave began
- Member must return to work after leave of absence for at least 8 months or a period of time equal to the leave, whichever is less
  - If return to work is not fulfilled this will result in forfeiture of service credit and refund of any leave contributions made
- Traditional/Portable can be active or inactive to purchase leave
- SMP must be active to purchase leave and can only purchase leave as a deferred leave *after* return to work is fulfilled
- Can be used for vesting
- Traditional/Portable receive any applicable employer match
- SMP does not receive employer match
- Leave of Absence *with Pay*
  - Sabbatical
    - In calculating benefits, full salary is assumed even though contributions received on actual earnings only
  - Other
    - Eligible to make contributions on portion of earnings member is not receiving
    - Leave of absence must be reported as 51% or greater to be eligible to make leave contributions
    - If a member is on a leave of absence and they are still receiving at least 50% of their normal salary, member is NOT eligible to make leave contributions
    - Receive full service credit, even if optional contributions are not made
- Leave of Absence *without pay*
  - Member can elect to make contributions on salary forfeited during leave
  - Member will receive service and earnings credit if contributions are made
  - Contribution rate is 8% (9.5% for Police/Fire)
  - If all leave payments are not made, contributions will be returned without interest

*Cost:*

- Leave of absence is broken down into academic year
- The amount of the payment depends on the member's salary on the date the member began the leave and the amount of earnings forfeited