

**Side Letter
between
AFSCME and State System**

Enhanced Sick Leave Payout Program

The Pennsylvania State System of Higher Education (“State System”) and the American Federation of State, County, and Municipal Employees (“AFSCME”) agree to provide another Enhanced Sick Leave Program (“the Program”), to encourage employee retirements to be submitted this fiscal year and into the next fiscal year.

A. Program

1. Current eligible employees may participate in the Program in accordance with the provisions in Sections B and C only if the eligible employee provides notice of retirement between January 22, 2021 and March 15, 2021 with a retirement date on or before June 30, 2021 to receive a sick leave payout pursuant to Section D.1., or provides notice of retirement between March 16, 2021 and September 30, 2021 with a retirement date between July 1, 2021 and June 30, 2022 to receive a sick leave payout pursuant to Section D.2.
2. The parties agree to inform all eligible employees about the Program.
3. The State System will notify AFSCME no later than March 29, 2021 and October 14, 2021 of all retirements received under this Program

B. Eligibility

1. Participation in the Program is limited to permanent full-time employees. Eligibility is subject to verification prior to acceptance of participation in the Program.
2. Participation in the Program requires that the employee qualifies for majority-paid retiree health care at the time of retirement, as defined in the table below, as follows.
 - a. Meeting the required years of service on or before March 15, 2021.
 - b. Meeting the required age, if applicable, on or before the effective date of retirement.

| Retirement Age | Years of Service | Type of Service |
|---|------------------|------------------|
| 60 | 20 | Credited Service |
| Any Age | 25 | |
| Any Age with Approved Disability Retirement | 5 | |

- **Credited Service** - Includes years of service credited by retirement plan (SERS/PSERS/ARP). May include purchased service. For employees hired on/after July 1, 2007, credited service is limited to Commonwealth/State System service and, if applicable, purchased military service.

C. Individual Employee Provisions

1. An eligible employee must submit a letter of retirement to the President of the University between January 22, 2021 and March 15, 2021 to receive a payout under Section D.1. or between March 16, 2021 and September 30, 2021 to receive a payout under Section D.2.
2. The eligible employee must indicate in their retirement letter a retirement date on or before June 30, 2021 (to receive a payout under Section D.1.) or on or before June 30, 2022 (to receive a payout under Section D.2.).
3. All retirements submitted between January 22, 2021 and September 30, 2021, are **irrevocable** upon acceptance, and the payouts will be conducted in accordance with this side letter.
4. Employees shall not be paid for partial days of accumulated sick leave.

D. Enhanced Sick Leave Provisions

1. The sick leave payouts noted in Article 14, Section 7.a. and Recommendation 14, Section 7.a. will be adjusted based upon the table below for retirements submitted between January 22, 2021 and March 15, 2021 with an effective date of retirement on or before June 30, 2021.


| Days Accumulated | Current % Paid | Current Max Days Paid | ESLP % Paid | ESLP Max Days Paid |
|---------------------------------------|----------------|-----------------------|-------------|--------------------|
| 0 to 100 | 30% | 30 | 60% | 60 |
| 101 to 200 days | 40% | 80 | 80% | 160 |
| 201 to 300 days | 50% | 150 | 100% | 300 |
| Over 300 (in last year of employment) | 100% | 11 | 100% | 11 |

2. The sick leave payouts noted in Article 14, Section 7.a. and Recommendation 14, Section 7.a. will be adjusted based upon the table below for retirements submitted between March 16, 2021 and September 30, 2021 with an effective date of retirement between July 1, 2021 and June 30, 2022.

| Days Accumulated | Current % Paid | Current Max Days Paid | ESLP % Paid | ESLP Max Days Paid |
|---------------------------------------|-----------------------|------------------------------|--------------------|---------------------------|
| 0 to 100 | 30% | 30 | 45% | 45 |
| 101 to 200 days | 40% | 80 | 60% | 120 |
| 201 to 300 days | 50% | 150 | 75% | 225 |
| Over 300 (in last year of employment) | 100% | 11 | 100% | 11 |

AGREED on February 8, 2021:

STATE SYSTEM


 Daniel Greenstein
 Chancellor

AFSCME

 2-8-21
 Tom Lipko
 Assistant to the Executive Director