

Office of Human Resources
Marjorie H. Adler, Chief Personnel Officer

SUBJECT: FISCAL IMPACT OF THE IMPLEMENTATION OF SENATE BILL 300 AND REQUEST FOR AUTHORIZATION TO AMEND SCHOOL BOARD RULES 6Gx13- 4E-1.16, TERMINAL PAY-EXEMPT MANAGERIAL AND CONFIDENTIAL PERSONNEL, AND 6Gx13- 4D-1.022, MANUAL OF PROCEDURES FOR MANAGERIAL EXEMPT PERSONNEL

COMMITTEE: LEGISLATIVE RELATIONS, PUBLIC RELATIONS AND PERSONNEL SERVICES

Senate Bill 300, which was enacted by the 2004 Legislature, eliminated a statutory limit, imposed in 2001, on the amount of accumulated sick leave which could be paid to employees other than instructional or educational support personnel as terminal pay. It also removed a restriction prohibiting such employees from receiving an annual cash-in of sick leave at 80% of value.

At the School Board meeting of May 19, 2004, the Board approved a request from Board Member Agustin Barrera that the Superintendent study the fiscal impact of the implementation of Senate Bill 300 and return to the Board with a recommendation at the June 16, 2004 Board meeting.

Staff's analysis of the fiscal impact of implementing Senate Bill 300 indicates that for administrators currently in the DROP program, the increased cost of sick-leave payout for 2003-04 and 2004-05 are \$316,516 and \$278,846, respectively. The total potential increase in compensated absences for all administrators would be \$6.9 million if all administrators were to retire or resign from the District prior to eligibility (i.e., 62 years of age or 30 years of employment.) This assumes that no sick leave is used/earned by employees and salaries remain constant.

In addition, Senate Bill 300 allows for annual Sick Leave Cash-In for administrators. The estimated 2004-05 cost for Sick Leave Cash-In is \$1.4 million based upon prior year's experience. The Sick Leave Cash-In is inclusive of the \$6.9 million reflected above as compensated absences.

Currently, administrators are the only employee category whose sick leave has been capped for terminal pay purposes and who are not permitted to participate in the annual Sick Leave Cash-In. In order to restore the equitable provision of these benefits to all categories of employees, it is recommended that the Board authorize the Superintendent to initiate rulemaking proceedings to amend School Board Rules 6Gx13- 4E-1.16,

Terminal Pay–Exempt Managerial and Confidential Personnel, and 6Gx13- 4D-1.022, Manual of Procedures for Managerial Exempt Personnel.

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

1. receive the staff's analysis of the fiscal impact of implementing Senate Bill 300;
2. authorize the Superintendent to initiate rulemaking proceedings in accordance with the Administrative Procedure Act to amend School Board Rule 6Gx13-4E-1.16, Terminal Pay–Exempt Managerial and Confidential Personnel; and
3. authorize the Superintendent to initiate rulemaking proceedings in accordance with the Administrative Procedure Act to amend School Board Rule 6Gx13- 4D-1.022, Manual of Procedures for Managerial Exempt Personnel.

MHA:am