

Chapter 6: Service Credit

Days that count toward earning service credit

(80 Ill. Admin. Code 1650.320)

Service credit is granted for days paid Monday through Friday only when periodic payment is made to the member for:

- service rendered that requires certification under the School Code;
- attendance during the work week at teachers' institutes, workshops and parent/teacher conferences scheduled in the school calendar;
- legal school holidays;
- vacation, personal, or sick leave days used prior to termination;
- sabbatical leaves in accordance with the School Code (105 ILCS 5/24-6.1);
- absence from duty without the loss of pay or benefits and without use of accrued time until the member resumes active employment or until the resignation date, whichever occurs first; or
- service rendered on e-learning days authorized by Section 10-20.56 of the School Code (105-ILCS 5).

Service credit is not granted for Saturdays or Sundays, except in the rare instance where the Saturday service is required as a lawful day of attendance.

Service credit is granted for each full or partial day worked. When reporting days paid, do not combine partial days into full day equivalents.

For example:

- Teacher A worked 72 full days and 36 half days. Report 108 days paid.
- Teacher B worked 180 half days. Report 180 days paid.
- Teacher C worked five full days and four half days. Report nine days paid.

Sick days, vacation days, and contract buy-outs paid in a lump sum cannot be used to establish service credit with TRS. However, members may earn service credit for days they were paid while on a board-approved leave of absence (see above).

Maximum creditable service in one year

(40 ILCS 5/16-130, 80 Ill. Admin. Code 1650.320)

A maximum of one year of service is creditable for all days worked in any one school year. Since 1959, TRS grants a full year of service credit to any member who is employed and receives creditable earnings for 170 days during any school year upon certification of the employer. Effective January 14, 1991, if a member earns salary for fewer than 170 days between July 1 of one year and June 30 of the following year, service credit is granted at the ratio of actual number of days paid to 170 days.



Adding service credit to a member's record

Service credit is added to a member's record by two methods. For regular teaching service, credit is recorded based upon the number of days paid reported on the Annual Report of Earnings. The other method requires that the employer certify, upon request of the member, service credit based upon existing employment records.

If employment records are not available, service credit may be verified through submission of other reliable documentation by the member. Contact the TRS Member Services Department at 877-927-5877 (877-9-ASK-TRS) for suggestions of possible alternative sources of documentation.

Sick leave

(80 Ill. Admin. Code 1650.350)

Members receive service credit at retirement for unused, uncompensated sick leave. The amount of service credit available to a member can be determined by dividing the number of reportable sick leave days by 170. Members may receive up to a maximum of two years of credit.

To be creditable for retirement purposes, sick leave days must be available for use by a member in the event of illness. Service credit is not available and cannot be computed for sick leave days added to the record of a member for the purpose of increasing the member's retirement service credit. TRS makes a distinction between the normal annual allotment of sick leave days and additional days granted over the normal annual allotment. A member's normal annual allotment of sick leave days added at the beginning of a school year is presumed to be available for use.

An employer may choose to grant additional days to a member for reasons such as serious illness. After increasing or eliminating a sick leave cap, an employer may choose to reinstate sick days a member had previously lost due to the employer-imposed cap. When sick leave days in excess of the normal annual allotment are granted or reinstated to a member, the additional days must be posted to the member's sick leave/attendance record and must represent a potential financial liability to the employer. Sick leave days must be granted or reinstated far enough in advance of termination that the sick leave days will be available for use by the member in the event of illness. The following steps are used to determine whether sick leave days granted or reinstated by an employer in addition to the normal annual allotment are available for use and reportable to TRS for service credit.

1. From the date the sick leave days are added or reinstated, determine the number of paid days remaining until the member's retirement or termination. _____
2. Subtract the number of sick leave days already on the member's record. (_____)
3. The difference is equal to the maximum number of additional days, if any, that may be added or reinstated and reported to TRS.

The number of sick leave days reported to TRS as determined above must be reduced by the number of sick leave days used prior to termination. See the following Examples 1 and 2.



Unused, uncompensated sick leave days are not eligible for service credit at retirement when the member receives payment for accumulated sick leave days that is reportable to TRS as creditable earnings. See the following Example 3. **If the payment for sick leave days is not reportable to TRS as creditable earnings, the sick leave days are reportable.** See the following Example 4.

Public Act 94-0004 requires employers to pay a contribution for sick leave days granted in excess of the member's normal annual allotment and used for service credit at retirement. For more information regarding the employer cost on sick leave days granted in excess of the normal annual allotment, please refer to Chapter 8, Excess Costs.

Example 1:

School District 1's collective bargaining agreement (CBA) allows unlimited accumulation of sick leave. District 1's CBA provides for an individual to be granted up to an additional 170 days of sick leave upon notification of retirement.

Teacher A notified the district on March 1, 2024, of his intent to retire at the end of the 2024-25 school year. The district has 185 days in their school term. There were 65 days remaining in the 2023-24 school term when Teacher A notified the district of his retirement. There are 250 (65 + 185) days remaining until Teacher A's retirement. Teacher A has 150 days of unused, uncompensated sick leave days on his record. On the day he announced his retirement, the district granted and added an additional 100 (250 - 150) days of sick leave to his record. In May of 2023, he used one sick leave day. District 1's normal allotment is 12 days. Teacher A started the 2023-24 school year with 261 days of sick leave (250 - 1 + 12). He used zero sick leave days during the 2024-25 school year. At termination, Teacher A has 261 days of unused, uncompensated sick leave available to be reported to TRS.

Example 2:

School District 1's CBA allows unlimited accumulation of sick leave. District 1's CBA provides for an individual to be granted up to an additional 170 days of sick leave upon notification of retirement.

Teacher B has 160 accumulated sick leave days. He notifies District 1 on March 1 of his intent to retire at the end of the school term. There are 65 days remaining in the school term. No additional sick leave days may be granted and added to his record because he has 160 days on his record. The additional days would not be available for use. He uses five sick leave days in May. At termination, Teacher B has 155 (160 - 5) days of unused, uncompensated sick leave available to be reported to TRS.

Example 3:

Teacher C decided to retire from District 2 at the end of the current school year. The district's CBA provides for payment of \$10 for each day of unused sick leave. At termination she has 200 sick leave days on her record for which District 2 pays her \$2,000 (200 days x \$10). Payment is made on July 15 with her last regular paycheck. The payment for the sick leave days is reportable as creditable earnings. Therefore, the number of unused, uncompensated sick leave days available to be reported to TRS is zero.



Example 4:

Teacher D decides to retire from District 3 at the end of the current school year. The district's CBA provides for payment at the full daily per diem for each day of unused sick leave up to a maximum of 100 days in September. At termination, Teacher D has 250 sick leave days on her record and her daily per diem is \$400. District 3 pays her \$40,000 (100 days x \$400) on September 28. Teacher D received her last regular paycheck on August 28. The payment for the sick leave days is **not** reportable as creditable earnings. Therefore, the number of unused, uncompensated sick leave days available to be reported to TRS is 250.

Sick leave days for service credit

Employers will certify the number of unused, uncompensated sick leave days for members who terminated employment during the school year. The sick leave information provided allows TRS to record unused, uncompensated sick days from former employers throughout a member's career. When reporting unused, uncompensated sick leave days:

- Report only unused, uncompensated sick leave days that a member had available on the date he/she terminated district employment. Include unused business, personal or other nonvacation leave days that were available to use as sick leave.
- Before reporting sick or personal leave days granted in addition to the normal annual allotment, ensure the days meet the available for use requirement detailed on page 2. Refer to examples 1 and 2.
- If a member is paid for sick leave days, ensure the days or payment are reported following the guidance on page 3. Refer to examples 3 and 4.
- Round sick leave days to the nearest 10th decimal place. Do not round sick leave days to the nearest whole number. **For example:**
 1. If the member had 55.75 sick leave days, report 55.8 days.
 2. If the member has 72.32 sick leave days, report 72.3 days.

If the district has employed a member more than once and sick leave days earned from the previous employment were reinstated to the member, notify TRS to reduce the member's reported sick leave days to zero. If the district employed a member more than once and sick leave days earned from the previous employment period were not reinstated to the member, only report the most recent employment period and the sick leave days associated with that employment period.

To make corrections to previously reported sick leave days, email employers@trsill.org with the member's name, last four digits of his/her Social Security number and the correct number of sick leave days.

If sick leave was not reported, former employers may certify unused sick leave using the Former Employee Sick Leave Certification form. A member or employer may contact TRS for a Former Employee Sick Leave Certification form. Sick leave days from former employers must be submitted to TRS prior to the member's retirement.



Business, personal or other nonvacation leave days

A member may earn service credit for unused, uncompensated business, personal or other non-vacation leave days if the days were available for use in the event of illness.

Days withdrawn from a sick leave bank

Service credit is available for sick leave days withdrawn from a sick leave bank upon retirement provided certain requirements are met.

- The number of days a member individually contributed to a sick leave bank must be recorded.
- The days withdrawn must reduce the available balance of sick leave days remaining in the bank.
- The number of days reported for a member cannot exceed the number of days deposited and unused by the member.

For example, a retiring teacher has contributed two days to the sick leave bank during her career and has never used any days from the bank. She begins her final year of employment with 150 accumulated sick leave days on her record and doesn't use any sick leave during the final year. At retirement, she is permitted to withdraw the two days she had contributed to the sick leave bank. The district should report 152 sick leave days to TRS.

TRS will not grant service credit for any days withdrawn by the member from a sick leave bank in excess of the days deposited and unused by the member. In addition, sick leave days lost as a result of a district imposed cap, which are deposited into the sick leave bank, are not reportable for sick leave service credit.

Sick leave days not reportable for service credit

TRS will not grant service credit for days

- lost as a result of a district imposed sick leave cap;
- not reinstated or granted sufficiently far in advance of retirement to be available for use;
- granted days contingent upon a future event where the employer would remove the days if the contingency is not met. For example, granted days result in an employer cost;
- only available for catastrophic or extended illnesses;
- accumulated in excess of a per illness limitation;
- reportable to another retirement system;

For example: a teacher worked as a teacher's aide prior to becoming a teacher. If the sick leave days earned while an aide are available for use as a teacher and are not reported to IMRF, the days are reportable to TRS when the teacher terminates. However, if the days earned while working as an aide are reported to IMRF, only the days earned and remaining unused as a teacher are reportable.

- earned in years for which a member has taken a refund that has not been repaid;



- available for use in a non-TRS-covered position;

For example: a teacher changes positions and becomes a teacher's aide. If the sick leave days earned while the individual was a teacher are available for use as an aide, the sick leave days are not reportable to TRS. If the individual begins the aide position with zero sick leave days, the days accumulated as a teacher are reportable to TRS.

- or recorded in other states, even if the member purchased out-of-system credit.

Granted days

The following situations are regarded as granting sick leave in excess of the normal annual allotment. The three-step formula must be applied to the extra days as of the date they are added to the member's sick leave record to determine if they are available for use.

- granted from a sick leave bank to preserve a member's personal sick leave balance in the final year(s) of service;
- additional days awarded for good attendance or for not using sick or personal leave;
- additional days awarded for reaching a minimum accumulation of sick leave;
- sick leave days awarded in lieu of payment for extra duties;
- unused vacation days converted to sick leave;
- unused personal leave days that accumulate two-for-one as sick leave or personal leave; or
- business, personal or other nonvacation leave days that are not available for use as sick leave but accumulate as sick leave if unused.

Unused vacation days

TRS will not grant service credit for unused vacation days.

Sabbatical leave

A member who is on a sabbatical leave may be granted service credit as though he or she had been teaching during the time of the leave. In order to receive service credit, the sabbatical leave must have been granted in accordance with the Illinois School Code (105 ILCS 5/24-6.1). A member on sabbatical leave must be included on the Pay-period Report with the payment reason of SB = Sabbatical. Consult the School Code for guidelines regarding sabbatical leaves.

TRS and THIS Fund member and employer contributions must be remitted during the leave. The earnings contributions are based on the salary rate reported immediately prior to the leave. **For example:** A member has been granted a full year sabbatical leave under the School Code. In the prior year, the member was reported with the full year rate and earnings of \$80,000. The district pays teachers semi-monthly over 24 pays. Earnings of \$3,333.33 will be reported with a payment reason of SB each pay period. Required member and employer contributions will be due each pay period based on earnings of \$3,333.33.

Leave of absence

A member who is on an unpaid leave of absence is not granted active service credit for the period of the leave. However, the member may be eligible to purchase the leave as optional



service credit. (See Chapter 7, Optional Service Credit.). Paid leaves are reportable as active service provided the member is absent from duty without the loss of pay or benefits and without the use of accrued time until the member resumes employment or until the resignation date, whichever occurs first.

Under Gemini, members on an unpaid board-approved leave of absence or FMLA will be reported as a payment reason of LA - Unpaid Leave of Absence. **For example:** Teacher A works 10 days during the first pay period of the school term before going on a board-approved leave of absence for the remainder of the second term. The first pay period has 12 days. Teacher A will be reported with 10 days as BS = Base Salary and two days as LA = Unpaid Leave of Absence. For each pay period for the rest of the school term, Teacher A will be reported as LA with days paid equal to the number of days in the pay period.

Duplicate service

A member may not use service earned under TRS for retirement credit under another public retirement system unless the member takes a refund of his or her TRS service credit.

If TRS receives written certification that a TRS annuitant has used TRS service credit for retirement credit in another public retirement system, the duplicated credit will be removed from the annuitant's record and the annuitant's retirement annuity will be reduced accordingly. In addition, TRS will offset any future benefits paid to the annuitant or the annuitant's beneficiary by the amount that TRS overpaid the annuitant.

Disability service credit

A member may qualify to earn service credit for periods of occupational and nonoccupational disability. (See Chapter 12, Disability Benefits.)

