**Board Memo**

**DATE:** 6/9/2022

**AGENDA ITEM DETAILS:**

**School/Department**

Finance

**Product Vendor or Grant Issuer**

N/A

**Product or Grant Name**

Escrow for Sick Leave Buyout

**Date/Term (Beginning and End Dates/Year)**

Fiscal Year 2023

**APPLICABLE BOARD POLICY:**

04.21 - District Accounts (Depositories)

**DESCRIBE USE OF CONTRACT/PURCHASE/AGREEMENT**

The Board has traditionally restricted up to 50% of the liability for sick pay benefit buyout at retirement as a restriction of fund balance in accordance with KRS157.420(3).

The amount will be calculated at year-end and presented in the annual financial report submitted to Kentucky Department of Education and will be subject to audit. No increase in the amount restricted is expected due to some significant buyouts that will occur on June 30.

**FUNDING FOR PURCHASES AND OTHER REQUESTS:**

**Total Cost**

N/A

**Funding Source**

General Fund

 **\*If more than one funding source, list below along with amount or percent for each source**

N/A

**IF THIS IS A GRANT, ENTER AMOUNT TO BE AWARDED:**

N/A

**RECOMMENDATION:**

I recommend the Board restrict 50% of the sick leave buyout liability as of June 30, 2022, as presented.

**CONTACT PERSON: (submitter)**

Linda Schild, Director Fiscal Services