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## BUDGET UNIT BRIEF – FY 2025

Fiscal Services Division

July 1, 2024



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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

# State Peace Officers Council Sick Leave Payout

## Purpose and History

Peace officers in the Department of Public Safety (DPS) are entitled to utilize the value of their accumulated and unused sick leave at retirement for the payment of health and/or life insurance. Employees covered by the State Police Officer's Council (SPOC) collective bargaining agreement are provided the benefit through Article IX, Section 8, paragraph D, of the [SPOC agreement](#). Supervisors not covered by the collective bargaining agreement are granted the same benefit through Iowa Code sections [70A.1\(4\)\(b\)](#) and [70A.23\(4\)](#). The benefit is further defined in [11 IAC 64](#).

The value of an employee's sick leave bank is determined by multiplying the hourly rate of compensation at the time of retirement by the number of accumulated and unused hours of sick leave credited to the employee. This value is credited to an employee's account and used to pay the costs of health and/or life insurance until the account is exhausted. Peace officer employees may utilize their sick leave bank for continuation of a State group insurance plan or may utilize the sick leave bank for payment of premiums through another carrier. If the retired peace officer passes away before the sick leave bank is exhausted, any remaining value is transferable to a surviving spouse for the payment of health and/or life insurance premiums of the spouse and any dependent children. If the spouse predeceases the officer and there are no dependent children, the value of the sick leave bank is considered exhausted.

For officers in the DPS, the payment of premiums is made on a cash basis (at the time the premiums are due) rather than on an accrual or fully funded basis. Prior to FY 2001, there was no reserve fund in existence for payments. The DPS set aside moneys to fund the sick leave bank of employees who were believed likely to retire. This resulted in funds being set aside that could not be used for other critical needs. In FY 2002, a separate appropriation was established to provide a regular funding stream for these expenses on a cash basis.

## Funding

The total annual expense is approximately \$1.7 million, and the General Fund appropriation for this budget unit is approximately \$280,000. Funding for the difference is taken from the DPS regular operating budget. The SPOC Insurance Trust Fund receives converted sick leave dollars of employees who have retired under the Peace Officers contract and Iowa Code section [70A.23](#). Any moneys remaining in the Fund are permitted to carry forward, and interest earned is permitted to remain in the Fund.

## Related Statutes and Administrative Rules

Iowa Code chapters [70A](#) and [80](#)  
Iowa Administrative Code [11—64](#) and [661](#)

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## More Information

Department of Public Safety: [dps.iowa.gov](https://dps.iowa.gov)  
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