

**MARKLUND**  
**HUMAN RESOURCES POLICY AND PROCEDURE**

**POLICY NO: 5.1.7** **PAGE: 1 OF 3**  
**SUBJECT: EXTENDED SICK BANK (ESB)**  
**DEPARTMENT AFFECTED: ALL** **APPROVED BY:**  
**ISSUE DATE: 3-13-95** **REVISED: 7-22-98, 3-15-02, 5/1/13, 12/6/15, 1/11/17** **EFF.**  
**DATE: 5-6-95, 12/6/15, 1/1/2017**

**PURPOSE:** The Extended Sick Bank (ESB) is a benefit plan designed to provide protection for full-time employees against loss of income due to intermediate term sick, accident or maternity.

**POLICY:** The Extended Sick Bank is an accrual system and is made up of two component parts or separate accounts. The way in which hours are added and withdrawn is different for both of the accounts.

1. Non-vested ESB-Marklund Accrual

All full-time employees that work 2080 hours accrue .016 ESB-Marklund Accrual hours for every hour paid, of your regular schedule. The maximum annual accrual at this rate is 32 hours (4 days). The maximum unused balance in this account is 528 hours (66 days). These hours are provided by Marklund as security against sick; they are not vested.

All 12-hour full-time employees that work 1872 hours accrue .019 ESB-Marklund Accrual hours for every hour paid, of your regular schedule. The maximum annual accrual at this rate is 36 hours (3 days). The maximum unused balance in this account is 528 hours (44 days). These hours are provided by Marklund as security against sick; they are not vested.

All full-time employees that work 1664 hours accrue .015 ESB-Marklund Accrual hours for every hour paid, except overtime and on-call time. The maximum accrual at this rate is 24 hours (3 days). The maximum unused balance in this account is 528 hours (66 days). These hours are provided by Marklund as security against sick; they are not vested.

2. Vested ESB-Employee Deposit

In addition to the automatic build-up of ESB hours in the non-vested ESB-Marklund Accrual, full-time employees may transfer up to 32 hours (4 days) of their PTO balance into their Vested ESB-Employee Deposit account during the Conversion Period in May and November of each year. These hours are vested, since they are a conversion of the employee's vested PTO hours. (The total combined balance of vested and non-vested ESB may not exceed 528 hours).

## **PROCEDURE FOR USE OF EXTENDED SICK BANK:**

1. ESB provides protection against loss of income due to intermediate term sick, accident or maternity.
  - a. Short-term sick, up to 24 hours (three scheduled days for those that work an 8-hour shift, two scheduled days for those who work 12-hour shifts) of scheduled working time, is paid from PTO or an employee vested ESB bank first, if hours are available.
  - b. ESB provides for long term sick. For this reason, non-vested ESB cannot be used for the first 24 hours (3 days) of sick.
    1. If a national holiday falls during the first 3 days, the holiday will be considered a sick absence and applied toward the 24-hour (3 day) requirement.
    2. If an employee who has been absent due to sick and had met the 24-hour requirement for payment from ESB, returns to work and suffers a recurrence of the same sick shortly after their return, they may be considered for immediate ESB benefits, with the approval of their Department Manager and the Human Resources Manager.
    3. Employees with a qualified major medical sick or injury to self FMLA, i.e.: surgery, birth of a baby, may begin using non-vested ESB on day one without waiting three days.
2. When ESB time is used, it is withdrawn entirely from the employee's ESB Marklund Accrual account as long as there is any time in that account. If the ESB-Marklund Accrual has a zero balance, the time is withdrawn from ESB-Employee Deposit.
3. Marklund may require that the employee provide a physician's note, indicating that the employee has been (or is) under treatment and unable to work, as a requirement for payment from ESB. For absences in excess of 80 hours (10 days) a form will be provided to the employee for their physician to complete and return to the Human Resources Office. If an employee who has received ESB benefits cannot provide a physician's documentation of inability to work during the period paid, or some part of that period, they will be required to repay any amount which cannot be documented to the satisfaction of Marklund.
4. Requests for use of ESB time, vested or non-vested, must be indicated on an employee edit sheet prior to turning it in to Payroll. A supervisor may check with payroll to verify availability of ESB.
5. Illinois Employee Sick Leave Act
  - a. Requires an employer who voluntarily decides to provide personal sick leave benefits to their employees to allow employees to use the sick leave for absences due to the illness, injury, or medical appointment of the employee's family member on the same terms upon which the employee is able to use sick leave benefits for the employee's own illness or injury (see 1a, above).

b. Limitations:

1. A covered employer can limit an employee's use of sick leave benefits/absences for a family member to **no more than the personal sick leave that would be accrued during 6 months at the employee's current accrual rate.**
  - i. For example, a full-time employee who works 80 hours per pay period accrues two (2) days or sixteen (16) hours of ESB in a six-month period. This employee would be eligible to use up to two (2) days or sixteen (16) hours of ESB for documented sickness for a qualified family member after requirements (see 1a, above) have been met.
2. A qualified family member would be the employee's child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, or stepparent.
3. Maximum entitlement for leave under the ADA is not extended

**CHANGE OF STATUS:**

When a full-time employee changes their status to part-time their Vested ESB-Employee Deposit may be converted to cash. Their ESB-Marklund Accrual will be lost.

**MAXIMUM BALANCE - RECONVERSION:**

The total combined balance of vested and non-vested ESB may not exceed 528 hours.