



Separation Allowance (Law Enforcement Officers) Policy

Policy Number: PP 7-3

Effective Date: January 1, 2018

Approved By: Roger L. Stancil, Town Manager

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POLICY

The Town of Chapel Hill complies with the provisions of the North Carolina General Statutes 143, Article 12 D, Separation Allowances for Law Enforcement Officers, as it may be periodically amended, which provides that that law enforcement officers retiring before the age of 62 are eligible for a 'separation allowance' under specific conditions. In calculating the amount of the separation allowance, the Town will use any service which is accepted by the State Retirement System as creditable service.

PURPOSE

The Town wants to clearly Communicate its procedures for determining what types of service are credited and how calculations are made for the Law Enforcement Separation Allowance provided for by state statute.

R.E.S.P.E.C.T. VALUES



Communication: We take part in constructive dialogues and set clear goals and expectations so we may better understand our roles in the workplace. Our organizational values serve as a common language when discussing each other's decisions and actions.

APPROVAL

Roger L. Stancil, Town Manager



Separation Allowance (Law Enforcement Officers) Procedures

Policy Number: PP 7-3

Effective Date: January 1, 2018

Approved By: Cliff Turner, Human Resources Development Director

PROCEDURES

These procedures are issued by the Director of Human Resource Development to implement the Law Enforcement Separation Allowance Policy, PP 7-3, issued by the Chapel Hill Town Manager. These procedures may be periodically updated.

All Regular full- and part-time law enforcement employees are covered under this policy.

A. Eligibility for Separation Allowance: The Town follows the provision of [N.C.G.S. § 143-166.42](#) when determining eligibility. An officer who retires either with a minimum of 30 years of creditable service, or when 55 years old with at least 5 years creditable service, is eligible for the separation allowance if:

- a) the officer has at least 5 years of continuous service as sworn law enforcement immediately preceding retirement; and
- b) the officer has served at least 50% of his creditable service as a law enforcement officer; and
- c) the officer is under the age of 62.

B. Calculation of Separation Allowance: The state statute currently provides that the annual separation allowance for state and local law enforcement officers is equal to .0085 times the employee's most recent base salary times years of creditable service. It is paid out in equal monthly payments. This allowance is to be paid from the time of retirement until the officer is 62 years old. Any changes in the State Statute shall supersede calculation amounts in this policy.

C. Creditable Service: In calculating the amount of the separation allowance, the Town will use any service which is accepted by the Retirement System as creditable service, such as purchased military time, purchased waiting time, purchased previous service, creditable service with another local government or the State, service time added due to accrued sick leave, etc.

D. Interpreting the 50% Rule: In interpreting the requirement that at least 50% of an officer's creditable service must be served as a sworn officer, the Town will apply the following principles:

1. **10 Years/50% Total:** Any officer retiring with either 10 or more years of continuous creditable service as a sworn officer, or 50% of all creditable service as a sworn officer, will be considered to have satisfied the sworn service requirement.
2. **Service in Another Jurisdiction:** Service as a sworn officer with another jurisdiction, if accepted by the NC Retirement System as creditable service, will be counted as sworn officer time.
3. **Rookie School:** Rookie school, although non-sworn, will be added to time spent as a sworn officer.
4. **Sick Leave:** Service time credited by the Retirement System due to sick leave accruals will be counted as sworn officer time.

PROCEDURES
CONT.

E. How Purchased Time or Waiting Time is Used in Calculations:

1. It does not count toward the 50% requirement: Re-purchased military time, waiting time (in another occupation), or other purchased time not served as a sworn officer will not count either as Police service or as non-Police service for the purposes of determining 50%.

2. It does count toward calculating amount of allowance: This time will be used by the Town in calculating the amount of the separation allowance. The state retirement system will also use this time for state retirement years of creditable service.

F. How Disability affects Eligibility: As long as the officer returns to service within 45 days after disability benefits cease, the time spent in non-(Town)pay status when the officer is on either Retirement Disability or disability salary continuation benefits does not cause service to be considered 'non-continuous' for purposes of determining eligibility.

G. Payroll Deductions from Separation Allowance: The Town will make all required deductions from the monthly separation allowance check including FICA, Medicare, taxes and any employee-paid health insurance.

FORMS/INSTRUCTIONS

Law Enforcement employees should consult with a member of Human Resource Development to receive customized assistance.

PROCEDURES
APPROVED BY

Cliff Turner, Human Resources Development Director



ADDITIONAL
CONTACTS

Human Resource Development 919-968-2700 or HR@townofchapelhill.org

Ombuds office 919-265-0806 or Ombuds@townofchapelhill.org

RESPONSIBILITIES

Law Enforcement Employees are expected to:

- a) Be aware of the Town's Separation Allowance policy and procedure
- b) Ask questions about anything they do not understand.

All Human Resource Development staff members are expected to:

- a) Provide Guidance for employees and managers on Separation allowance policy and procedures and help resolve issues.

SCOPE

This policy covers all Law Enforcement Officers as outlined in the [General Statutes](#) .

POLICY HISTORY

Issued May 1997
Reissued November 2000
Reissued January 1, 2018

In the event of any disparity between this policy and the Town's Code of Ordinances and/or applicable local, state, or federal laws, the Town's Ordinance and/or applicable laws shall prevail.

RELATED INFORMATION

[General Statutes 143, Article 12 D, Separation Allowances for Law Enforcement Officers.](#)