November 1, 1989

ADMINISTRATIVE MEMORANDUM NUMBER ONE HUNDRED AND FIVE
SHORT-TERM DISABILITY POLICY FOR
ADMINISTRATORS AND MIDDLE MANAGEMENT

1. **Eligibility**

All administrators and middle management employees are eligible for short-term disability benefits in case of physical or mental disability which extends beyond the employee's accumulated sick leave and vacation during the first six months of disability.

2. **Definition**

For the purposes of this program, disability shall be defined as the inability of the insured employee, as the result of extended physical or mental illness, to perform duties pertaining to his/her regular job. Prospects for recuperation shall not be grounds for denial of short-term disability benefits.

3. **Pre-Existing Conditions**

This short-term disability program does not provide coverage for any disability resulting from or related to a pre-existing condition (i.e., a condition which existed prior to the beginning date of employment) which would be excluded from coverage under the district's medical insurance program.

4. **Beginning Date of Short-Term Disability Benefits**

Short-term disability benefits will be paid only after all accrued sick leave days and all accrued vacation days have been used, and after a waiting period without pay. The length of the waiting period without pay depends upon the number of unused sick leave days the employee is able to apply to the illness involved. Employees may reduce the length of their waiting period by saving up unused sick leave days for use in case of an extended illness. The length of the waiting period without pay shall be determined by the following formula:
Sick Leave Days     Waiting Period
Applied to          Contract Days
This Illness*       Without Pay

<table>
<thead>
<tr>
<th>Sick Leave Days</th>
<th>Waiting Period</th>
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<tbody>
<tr>
<td>0 - 5.9</td>
<td>10</td>
</tr>
<tr>
<td>6 - 10.9</td>
<td>8</td>
</tr>
<tr>
<td>11 - 15.9</td>
<td>6</td>
</tr>
<tr>
<td>16 - 20.9</td>
<td>4</td>
</tr>
<tr>
<td>21 - 40.9</td>
<td>2</td>
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<tr>
<td>41 or more</td>
<td>0</td>
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* Must be applied to same illness during period immediately preceding beginning date of waiting period.

5. **Amount of Payment**

The payment of the employee shall be 80% of salary not to exceed a period of six calendar months from the beginning date of disability. Benefits will only be paid for days within that six month period designated by the board as working days for the individual involved.

6. **Maximum Benefit**

Short-term disability benefits shall not exceed 120 paid days in any five-year period.

7. **Notice of Possible Disability Claims**

Written notice of bodily injury or of sickness on which claim may later be based must be given to the district personnel office within 30 days after the date of accident causing such injury or within 30 days after the beginning date of a continuous disability caused by sickness, unless it is shown that it was not reasonably possible to give such notice.

8. **Application for Benefits**

Written application for short-term disability benefits (including doctor's statement) must be submitted to the personnel office on approved forms no later than ten calendar days after the first date of the waiting period. Short-term disability forms (including doctor's statement) must also be submitted by the employee or his/her designee each month during an extended illness in order to prevent suspension of benefit payments.

9. **Verification**

No payment shall be made for any period of disability in which the employee is not under the regular care and attendance of a physician. The district reserves the right to have a physician of its own choice examine the insured employee if medical records submitted are not sufficient. Benefits may be denied by the district upon recommendation of a district-appointed physician. Any disputes between the district's doctor and the
employee's doctor will be resolved by mutually requesting a third doctor's recommendation.

10. Suspension of Benefits

Short-term disability benefits may be suspended for the period of time in which the employee fails to make required written application per #8 above. Benefit payments shall not be retroactive for the period of time the employee failed to make timely written application as required above.

11. Termination of Benefits

Short-term disability benefits shall terminate as soon as the employee is well enough to return to work, or when the employee becomes eligible for benefits under any state or federal program, or when the employee becomes eligible for Granite District Long-Term Disability Benefits.

12. Employee Status

Employees on short-term disability:

    -- do not accrue sick leave
    -- do not accrue vacation
    -- do not accrue seniority
    -- are covered by medical and life insurance programs

/s/
Loren G. Burton
Superintendent