Report from USAC Sick Day Bank subcommittee     June 3, 2011

The subcommittee has contacted several peer institutions regarding their Sick Day policy to explore the possibility of a program that allows eligible employees to share or donate sick or vacation time to other employees who are experiencing a catastrophic sickness or accident.

Below is a list of the institutions that were contacted:

Brown University  
California Technical  
Carnegie Mellon University  
Cornell University*  
Duke University  
Emory University  
Georgetown University  
Harvard University  
Johns Hopkins University  
Massachusetts Institute of Technology  
Northwestern University  
Rice University  
Stanford University  
University of Illinois–Chicago*  
Yale University

Of the fifteen (15) institutions contacted, thirteen (13) responded. Eleven (11) of these institutions do not offer sick day/leave donations, two (2)* offer a version of shared or leave donations, and two (2) did not respond. Many of these universities had comparable Paid Time Off days similar to Vanderbilt’s policy.

The complexities of proposing such a plan include:

1) The recipient’s use of donated leave constitutes wages for the recipient subject to all payroll tax withholding.  
2) Differentiating the contributed time off per pay scale.  
3) HR Staff to create and manage the program.  
4) Misuse of the benefit.  
5) Potential legal liability if a claim were to be denied.

Vanderbilt University offers all faculty and staff the option of purchasing short-term disability insurance. Due to this benefit, a Sick Day Bank would not be feasible at this time.

Submitted by:

Janet Roberts

Attachments: Cornell University* and University of Illinois-Chicago* Sick Day Bank policies
Policy 6.9
Time Away From Work (Excluding Academic and Bargaining Unit Staff)
Includes Interim Section on Catastrophic Leave Donation

CATASTROPHIC LEAVE DONATION

Purpose
The Catastrophic Leave Donation policy calls for Cornell colleges/units to establish and administer voluntary leave donation programs that provide a means to assist employees who experience a catastrophic event and have exhausted their paid leave benefits. Catastrophic Leave Donation programs allow regular staff who have completed one year of service to voluntarily donate accrued leave to another regular staff member within their college/unit.

Because of the diverse funding and operational nature of Cornell colleges/units, some of the guidelines described in this Catastrophic Leave Donation policy are broadly defined. This gives colleges and units the flexibility to adapt such guidelines to fit their respective organizational needs. Catastrophic leave donation guidelines must be consistently administered, however, within each college/unit.

Intent
Cornell University provides staff with generous paid time away from work benefits including, but not limited to, sick leave and vacation accruals. It is expected that staff members will exhibit good stewardship over their sick leave and vacation accruals by maintaining adequate balances if extended time away from work ever becomes necessary. However, the university realizes that a situation may arise in which an employee may experience a catastrophic event and has exhausted his or her paid leave benefits. The university wishes to allow university staff members to assist colleagues in these situations.

◆ Note: This program is not an additional leave entitlement or benefit, but rather a means of allowing staff in Cornell University colleges/units to assist colleagues in need.

◆ Caution: Confidentiality is an important aspect of the catastrophic leave donation program and it is expected that all staff members, (e.g. donors, recipients, administrators, supervisors), regardless of their decision to participate in a catastrophic leave donation, will do their part to maintain such confidentiality.
Policy 6.9

Time Away From Work (Excluding Academic and Bargaining Unit Staff)

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**CATASTROPHIC LEAVE DONATION, CONTINUED**

**Definitions**

A *catastrophic event* is an extremely severe health-related situation necessitating the staff member's absence from work for an extended period of time. These events are one's own terminal, life threatening, other grave illness/injury, or a family member's terminal, life threatening, or other grave illness/injury.

A *family member* is defined as a spouse, same-sex partner, parent/legal guardian, child (includes biological, adopted, foster, or stepchild), or any person who is dependent upon the staff member for care.

**Eligibility**

All full or part-time staff in a regular nonacademic position who have completed one year of service are eligible to participate, either by donating time (donors) or by accepting donations (recipients).

**General Procedures**

The Catastrophic Leave Donation program is intended to be used on a case-by-case basis when a qualifying catastrophic event involving a staff member is brought to the attention of the college/unit Human Resources (HR) representative or designee. The college/unit HR representative or designee is then responsible for the following:

1. Reviewing prospective recipient and donor eligibility in consultation with appropriate college/unit representatives. If the decision of the designated college/unit representative(s) is to deny the request for catastrophic leave donation, the decision may be appealed to the Dean or Vice President of the college/unit, in writing, within one week of the initial denial, and the decision of the Dean or Vice President will be final.

2. Informing college/unit staff that voluntary donations are being accepted. Such requests to donate leave must be made voluntarily and formally by the eligible staff member to the designated college/unit HR officer or designee on the Catastrophic Leave Donation Form. (See the "Catastrophic Leave Donation Form")

   **Caution:** Solicitation of donations by staff members is prohibited.

3. Ensuring that accurate record keeping is maintained at the college/unit level, and communicated to the central Payroll office on a timely basis, whenever transferring and crediting donated leave.

4. Ensuring that the recipient’s absence is designated in accordance with the appropriate leave policy (e.g., Short-Term Disability, Family and Medical Leave, Personal Leave, etc.). If the absence qualifies under the Family and Medical Leave Act (FML), such leave time shall be charged against the
Policy 6.9
Time Away From Work (Excluding Academic and Bargaining Unit Staff)
Includes Interim Section on Catastrophic Leave Donation

CATASTROPHIC LEAVE DONATION, CONTINUED

recipient's 12-week FML entitlement. The unit reserves the right to approve, deny, continue, or discontinue a leave in accordance with the provisions of the specific leave policy, regardless of the amount of donations available.

Guidelines

- The type of time donated, (i.e. sick or vacation) must be appropriate for the absence. In the case of an employee illness/injury, donations may be in the form of vacation or sick leave. In the case of a family member’s illness/injury, donations may only be in the form of vacation leave.

- An individual’s ability to receive donated leave may be limited if s/he is paid from a grant, contract, or other restricted funding source. This may require recipient to be paid from another funding source.

- Donations of leave may not be used to extend the recipient’s employment beyond the end of the term of appointment or the point it would otherwise end by operation of law, policy, rule, administrative prerogative, or regulation (e.g., the end of a short-term disability).

- The conversion of donated leave to a recipient’s accrual will be done on a day-for-day basis.

- Whether recipients earn sick or vacation accruals while using donated paid leave will be determined by the specific leave policy that applies to their absence.

Donor Eligibility Criteria

In order to donate paid leave the following criteria are applicable:

- A staff member must have been employed by the university for at least one year in a regular full-time or part-time nonacademic position.

- The maximum amount of vacation or sick leave that may be donated by an employee is 10 days, in total, per fiscal year.

- The staff member must have a minimum combined total of 15 days of vacation and sick leave after making the donation.

- Donations must be made in full-day increments. A full day equals one-fifth (1/5) of the donor’s standard weekly hours of appointment. (e.g., a full day = 7.8 hours if 39 standard weekly hours and a full day = 4 hours if 20 standard weekly hours.)

- Only donations that are needed by the recipient will actually be taken from the donor(s).

- Donations may be made only in response to a catastrophic event.
CATASTROPHIC LEAVE DONATION, CONTINUED

- Accruals that the donor would otherwise forfeit or not be entitled to use are not eligible to be donated.

Recipient Eligibility Criteria

In order to receive donated paid leave the following criteria are applicable:

- A staff member must have been employed by the university for at least one year in a regular full-time or part-time nonacademic position.

- In the case of an employee's own illness/injury, all accrued vacation, sick leave and holiday compensatory time (if any) must be exhausted before receipt of donated leave. In the case of a family member's illness/injury, all applicable vacation, health care leave, personal leave, and holiday compensatory time (if any) must be exhausted before receipt of donated leave.

- The absence must be expected to continue for an extended period of time, but it does not have to be in consecutive or full days to qualify for donated leave.

- The recipient will only be provided with the amount of donated leave that is actually needed (e.g., excess or unused donations will not be kept by the recipient).

- Medical verification of the illness or condition may be required by the college/unit only if such requests are coordinated through the Division of Human Resources' Medical Leaves Administration (MLA).

- A staff member must not have a disciplinary history related to the abuse of leave time or absenteeism on record prior to the need for the donated leave.

Tax Implications

Recipient: The use of any donated leave (i.e. additional vacation and/or sick days) constitutes wages for the recipient subject to all payroll tax withholding.

Donor: The donor receives no benefits or tax penalties for the donation.
Time Off and Leave

Shared Benefits

A pool has been established which will provide eligible employees who have exhausted all accumulated sick leave and, if applicable, vacation leave with the opportunity to receive additional leave days when a disability claim is pending before the State Universities Retirement System (SURS) or when experiencing a catastrophic injury or illness, depending on the type of employee.

Employees must donate to the pool to receive leave from the pool.

Specific information on the following topics can be found below:

Eligibility

Donation of Shared Benefits
Withdrawal of Shared Benefits Leave
Benefits Continuation
Policies

Eligibility

Civil Service, Faculty, and Academic Professional employees may be eligible to participate in the Shared Benefits Program if they meet the following requirements:

To donate leave to the pool, an employee must:

- Be a Civil Service, Faculty, or Academic Professional employee who participates in SURS or the Federal Retirement System.
- Be appointed at least 50% time to a position for which service is expected to be rendered for at least nine continuous months.
- Have a cumulative balance of at least 11 days of leave.
  IMPORTANT: If you meet this requirement with use of accrued/cumulative sick leave only, you will only be required to exhaust sick leave in order to withdraw from Shared Benefits. If, however, your cumulative balance of at least 11 days of leave includes a combination of sick and vacation leave, you will be required to exhaust both types of leave (sick and vacation) before withdrawing from the pool.

If you change employee groups (i.e. from Academic Professional to Civil Service, or vice versa) after donating to the Shared Benefits pool, you will NOT be required to donate again under the new employee group.

Postdoctoral research associates, medical residents, graduate assistants, and annuitants in SURS or the Federal Retirement System are not eligible to participate.

To request a withdrawal of leave from the pool, an employee must:
• Have previously donated at least one full day of benefit leave to the pool under the Shared Benefits Program.
• Have a disability claim pending with SURS.*
• Have exhausted all accrued sick leave if they participated in the pool by contributing sick leave only.
• Have exhausted all accumulated sick and vacation leave if they participated in the pool by using a combination of vacation and sick leave or vacation only.
• Submit a completed Shared Benefits Withdrawal Application Form.

*Note: Academic staff who do not have a disability claim pending before SURS may also apply if experiencing a catastrophic injury or illness. Catastrophic injury or illness is defined as a severe condition or combination of conditions affecting the mental or physical health of the employee which forces the employee to exhaust all leave time earned and to lose compensation. The catastrophic illness or injury must require the service of a physician. This applies only to Academic staff.

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### Donation of Shared Benefits Leave

Before proceeding, please read and understand the shared benefits eligibility and policy information on this page. No transfer of funds will occur, but the donating employees leave balance will be reduced by the number of days donated. Employees may not designate that a particular employee receive their donated leave.

Donation of leave to the shared benefits pool is completed through an online electronic application. To complete the Donation of Leave Form click Continue.

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### Withdrawal of Shared Benefits Leave

Before proceeding, read and understand the shared benefits withdrawal requirements and policy information below. Employees who use leave from the pool are not required to pay it back. Provisions of University leave policies must be followed when using shared benefits.

Electronic submittal of the Shared Benefits Request for Withdrawal Application Form is not available at this time. Instead, print and complete the form and return to the appropriate office indicated on the form. A decision will be rendered within five working days after receipt of the completed request.

Requests for withdrawal of shared benefits are subject to the following requirements:

• Employee must have a disability claim pending with SURS.*
• Application to withdraw leave from the pool may be made within five days (leave may be in a negative balance) of exhausting all sick leave if only sick leave was used to participate in the pool. If a combination of sick leave and vacation or vacation only was used to participate in the pool, the employee must be within five days of exhausting all sick and vacation leave.
• The amount approved cannot exceed one-third of the balance in the pool or 45 working days, whichever is less.
• Employees may apply for leave from the pool once per academic appointment year.
• Employees or their designee must complete a Shared Benefits form requesting leave from the pool.
• The number of leave days needed must be specified.
• A written physician’s statement containing the beginning date of the condition, a description of the illness or injury, and a prognosis in justification of the request is required. Information regarding the pending SURS disability claim, if applicable, must also be included with the request.
*Note:* Academic staff who do not have a disability claim pending before SURS may also apply if experiencing a catastrophic injury or illness. Catastrophic injury or illness is defined as a severe condition or combination of conditions affecting the mental or physical health of the employee which forces the employee to exhaust all leave time earned and to lose compensation. The catastrophic illness or injury must require the service of a physician. This applies only to Academic staff.

**Benefits Continuation**

While using leave time from the shared benefits pool, employees continue to receive the same State and University benefits as when actively working. All State-paid contributions continue.

**Policies**

Select from the appropriate campus and/or employee group for specific policy information.

**University Policy**

General Rules Concerning University Organization and Procedure

**Policy and Rules for Civil Service Staff**

Policy 10 - Sick Leave
Rule 10.02 - Shared Benefits Program

**Campus Policies**

Urbana: [Sick Leave for Academic Staff](#) | [Shared Benefits (Sick Leave) Policy for Academic Staff](#)
Chicago: [Sick Leave for Academic Employees](#) | [Shared Benefit Program](#)
Springfield: Contact the campus Human Resources Office.