

PROCEDURE LIT.5.09.07
SICK LEAVE DIRECT DONATION

SCOPE: Faculty and Staff

1. **Overview:** Individual employees may voluntarily donate sick leave hours to another employee as authorized by House Bill 1771. A sick leave donation to another employee should not be confused with a donation of hours to the sick leave pool. This leave benefit is another option to assist those who have exhausted their available sick leave to remain in a paid leave status and allow them time off to recover from an illness or injury. Employees may also use donated sick leave to care for eligible family members.
2. *General Information:*
 - 2.1. Employees may use donated hours for several reasons, including
 - 2.1.1. during the 160-hour waiting period for sick leave pool purposes,
 - 2.1.2. after the employee has exhausted his or her pool benefit, and
 - 2.1.3. for less catastrophic conditions which do not rise to the level of the need for sick leave pool hours.
 - 2.2. Donated sick leave will be used in accordance with sick leave regulations, with the exception that donated hours cannot be used for retirement credit.
 - 2.3. An employee may not provide or receive remuneration or a gift in exchange for a donation.
 - 2.4. Sick leave donations will be considered a taxable event to the donor unless the situation qualifies as a medical emergency pursuant to IRS guidelines.
 - 2.4.1. For sick leave donation purposes, a medical emergency is defined as “a major illness or other medical condition that requires a prolonged absence from work (40 hours), including intermittent absences that are related to the same illness or condition”.
 - 2.4.2. Donations not qualified as medical emergencies will have the cash value of the donated sick leave included in gross income of the donor, and will be treated as wages for employment tax purposes. Such wages will be considered a lump-sum payment and subject to income tax, Medicare, and applicable social security withholdings.
 - 2.4.2.1. Individuals making a donation are encouraged to consult a tax advisor.
3. *Sick Leave Donors:*
 - 3.1. Employees who wish to donate sick leave to another employee will complete the Sick Leave Direct Donation – Donor Form and submit it to Human Resources.
 - 3.2. An employee is not required to be in a leave-accruing position at the time a donation is made, but will need to have sufficient hours to cover the donation.

- 3.3. A donor may donate any amount of his or her available sick leave accruals to an eligible recipient.
- 3.4. Once sick leave is donated it will no longer be your property and may not be returned to the donor if the recipient is unable to use the donated sick leave.
- 3.5. Donated sick leave may not be paid to the Estate, donated to sick leave pool or transferred to another employee.

4. *Sick Leave Recipients:*

- 4.1. Employees may receive hours if they:
 - 4.1.1. are in the same agency as the donor;
 - 4.1.2. have exhausted all of their sick leave accruals;
 - 4.1.3. have exhausted any previously donated hours they received; and
 - 4.1.4. have exhausted the full allocation of hours from the sick leave pool.

5. *Sick Leave Donation Transactions:*

- 5.1. Upon full completion of the Sick Leave Direct Donation – Donor Form, the form should be submitted to Human Resources for review the donation request and confirmation of eligibility.
- 5.2. Following approval of the donation, Human Resources provides the Sick Leave Direct Donation – Recipient Form to the recipient for completion along with requesting appropriate medical certification to determine qualification for medical emergency.
- 5.3. Approved sick leave donations will be processed by Human Resources deducting sick leave hours from the donor's account and adding the donation to the recipient's sick leave.

Related Policies: LIT.5.09 Employee Leave

Relevant Forms/Documents: LIT Sick Leave Direct Donation – Donor Form, LIT Sick Leave Direct Donation – Recipient Form

Relevant TSUS Policies/Forms/Documents:

Relevant Statutes: Texas Government Code, Title 6. Public Officers and Employees, Subtitle B. State Officers and Employees, Chapter 661. Leave, Subchapter G. General Provisions for Sick Leave for State Employees, Sec. 661.207 Donation of Sick Leave

Relevant SACSOC Standards:

Document History:

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