



SUBJECT:	Donation of Vacation/Sick Time
POLICY NO:	III:04
APPLICABLE TO:	Regular Full-Time/Part-Time Employees
PAGE NO:	1 of 2
EFFECTIVE DATE:	May 1, 1997
REVISION DATE:	August 1, 2018 (due to name change)

I. POLICY

It is the policy of The Hennepin Healthcare Research Institute (HHRI) to allow employees to donate vacation and/or sick time to assist employees who have exhausted their accrued vacation/sick/holiday time, and have a serious health condition.

- A. Employees are eligible to receive donated vacation/sick time if the reason for the leave meets the definition of a serious health condition under the Family and Medical Leave Act (FMLA). There is no minimum period of employment required before eligibility.
- B. Donated hours may only be used after an employee has depleted his or her own accrued sick/vacation/holiday time. Donated hours will remain eligible for use for the serious health condition the donation was initially intended. If the employee returns to work in their pre-leave status, any donated hours not processed, will become void.
- C. The donor employee must be employed with HHRI at the time their donation request is processed. If an employee is terminating, they will not be eligible to donate any of their accrued vacation/sick/holiday time to another employee.
- D. Donations for a recipient will be processed each pay period and shall be limited to the amount equal to the recipient's regular gross earnings per pay period. Donations are made hour for hour.
- E. Payments of donated vacation/sick time are considered wages to the recipient at the time of payment according to the IRS; therefore, all appropriate income taxes will be withheld. (The donating employee realizes no income and incurs no tax-deductible expense or loss, upon either donation or payment to the recipient.)
- F. Payroll is responsible for maintaining the Vacation/Sick Time Donation Request Forms received, and for distributing the hours as needed. The order of priority for donated hours will be based on the date the donor signed the request form.
- G. Any donated time will be converted to sick time when paid out to the recipient. The recipient will only be eligible to use donated time during the period of their leave in which they would otherwise be eligible to use accrued sick time.
- H. The fiscal unit for the employee receiving the donated time will be charged when the donated time is paid to the employee.
- I. The employee making a donation will not be notified in advance of a donation; however, their monthly sick/vacation balance report will show the amount of donated time used.
- J. Once a donation has been processed, neither the donor nor the recipient may revoke the transaction, even if it has not yet been paid.



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II. PROCEDURE

- A. An employee that would like to donate vacation/sick time should complete a Vacation/Sick Time Donation Request Form & submit it to Human Resources. No less than four (4) hours may be donated.
- B. Human Resources will verify if the employee is eligible to receive donated time.
- C. Qualified requests will be forwarded to Payroll. The recipient will not be informed of the names of those donating hours. However, the recipient may request the total number of hours being donated to them by calling Payroll.
- D. The employee receiving vacation/sick donations must complete a HHRI Willingness to Receive Donated Vacation/Sick Time Form & forward to Payroll.
- E. At the time the donated vacation/sick time is paid to the recipient, Payroll will make the appropriate deductions from the donating employee(s) accrued vacation/sick leave balances.

III. RELATIONSHIP TO OTHER POLICIES

- A. The Long Term Disability policy supersedes this policy. Once an employee becomes eligible for Long Term Disability they may no longer receive donated sick/vacation time.