

Vacation Donation Program

Purpose

To establish a policy and guidelines permitting staff to voluntarily transfer vacation time to co-workers who are unable to work due to a serious medical condition for themselves or an eligible family member, have exhausted all paid leave, and would otherwise be subject to a financial hardship due to salary discontinuance (leave without pay).

Overview

Employees may donate vacation directly to a pooled vacation bank for use by co-workers who experience a financial hardship due to absence without pay because of a serious health condition of themselves or an eligible family member.

Employees may request to receive donated vacation for their own or an eligible family member's serious health condition. Employees who receive donated vacation will be paid the vacation time at their own rate of pay in effect at the time they are paid the donated vacation. The value of the donated vacation used by the recipient will become part of the recipient's gross pay and will be taxable to the recipient.

Jefferson Science Associates will offer an annual open enrollment session to allow voluntary donors to submit their vacation hours to the donated program. The program will run on a fiscal year cycle. Any donated vacation time that is unused at the end of the fiscal year will be forfeited.

Definitions

Serious medical condition : Regular and Term employee(s) or an eligible family member of the employee that requires the prolonged absence of the employee from work which results in a non-occupational substantial loss of pay to the employee because the employee has exhausted all paid leave available apart from the vacation donation program (see further explanation under the eligibility criteria for receiving donated vacation).

Note: The threshold for “a substantial loss of income” is absence (or expected absence) from duty without available paid leave for at least 80 work hours for a term or regular employee.

Health care provider: A licensed medical doctor.

Leave Donor: An employee who voluntarily elects to transfer vacation leave to the Lab's vacation donation bank to assist a leave recipient and is approved by the Human Resources Benefits Department.

Leave recipient: A current employee for whom the employer has approved an application to receive vacation leave from the vacation donation bank.

Eligible family member: (documentation may be requested):

- Spouse and his/her parents;
- Child (including adopted child)
- Parent or stepparent;
- Sibling;
- Grandparent
- Or other related persons living in the household of the employee

Donor Eligibility

In order to donate vacation days, an employee must meet the following eligibility criteria:

- Be a Term or Regular employee eligible to accrue and use vacation and sick leave.
- The donor employee must maintain a minimum vacation balance of 80 hours for his/her use.
- Donations must be made in four (4) hour increments.

The Vacation Donation open enrollment session will be the only allotted time for vacation hours to be transferred into the Vacation Donation bank. The open enrollment form must be correctly completed and received by HR Benefits by the last work day of the open enrollment period.

HR Benefits will verify eligibility to donate. All eligibility decisions by Human Resources are final and not subject to appeal.

Recipient Eligibility

Donated leave can be used for continuous and/or intermittent prolonged absences.

In order to receive continuous donated vacation days, an employee must meet the following eligibility criteria:

- Be a Term or Regular employee eligible to accrue and use vacation and sick leave.
- Experience a non-occupational serious medical condition as defined above; eligible family members may experience a non-occupational or occupational serious medical condition.
- Exhaust all accrued vacation and sick leave for the serious medical condition of the employee or eligible family member.

- Expect to continue to be off an additional two weeks or longer without pay.
- Submit a correctly completed *Vacation Donation Application to Receive Donated Vacation form* to HR-Benefits Department with a Medical Certification from a Health Care Provider stating patient prognosis and expected duration of illness/injury.
- If the employee is incapacitated, an eligible family member may request the vacation donation and submit the Vacation Donation Application to HR-Benefits.

In order to receive intermittent donated vacation days, an employee must meet the following eligibility criteria:

- Be a Term or Regular employee eligible to accrue and use vacation and sick leave.
- Experience a non-occupational serious medical condition as defined above; eligible family members may experience a non-occupational or occupational serious medical condition.
- Exhaust all accrued vacation and sick leave for the serious medical condition of the employee or eligible family member.
- Expect to use 80 hours leave without pay over a consecutive ten (10) week period.
- Vacation donations must be taken in 1 hour increments or greater.
- Continue to use any prorated accrued sick or vacation leave before using the donated leave.
- Submit a correctly completed *Vacation Donation Application to Receive Donated Vacation form* to HR-Benefits Department with a Medical Certification from a Health Care Provider stating patient prognosis and expected duration of illness/injury.

An employee may receive no more than six weeks (240hrs) of donated vacation within a rolling year (any period of 12 consecutive months).

Employees will not receive a TIAA-CREF contribution from Jefferson Science Associations on any compensation from this program.

If the employee is incapacitated, an eligible family member may request the vacation donation and submit the Vacation Donation Application to HR-Benefits

If an employee is approved under the Family Medical Leave Act (FMLA), the FMLA will continue to run concurrently with donated vacation time as long as the employee continues to be eligible for FMLA.

The recipient must be on a Leave without Pay (LWOP) status and currently not receiving Short or Long Term Disability Benefits nor Workers Compensation wages to be eligible for the vacation donation program.

Records and Review

- HR Benefits determines eligibility to donate.
- The Payroll Department works in conjunction with the HR Benefits Consultant to ensure qualifications and criteria to receive donated time are fulfilled.
- HR Benefits reviews all Medical Certifications and consults with Occupational Medicine to determine if the employee qualifies to receive donated vacation.
- The HR Benefits Consultant informs the Payroll Department of the employee's eligibility for donated vacation.
- Upon approval, donated vacation is paid to employees on a first-come, first-serve basis.
- The employee who has been granted donated vacation time is required to provide additional Medical Certifications from a Health Care Provider every four weeks and submit them to HR.
- The HR Department will retain all forms and documentation four years from the date the leave transfer is executed to the recipient.

Terms for the Transfer of Vacation

- Vacation donations must be made in four (4) increments.
- The recipient of the vacation will be paid at their current vacation pay rate, not the rate of pay of the vacation donor.
- Once the donation is made, the transfer of leave is not revocable.
- Donated vacation cannot be paid at termination.
- If any donated vacation remains after the employee returns to active service, it is forfeited and returned to the vacation bank.
- Part-time employees' leave will be granted at a proportionate rate according to their work schedule.
- There are no guarantees as to the number of hours of vacation that will be available for a recipient's use as donations are strictly voluntary.
- The vacation donated to the recipient is included in the recipient's gross income, considered wages, and taxed accordingly per Internal Revenue Service, Letter Ruling 9051005.
- The vacation donated is not tax-deductible for the donor per Internal Revenue Service, Letter Ruling 9051005.
- The recipient of donated vacation is not eligible to accrue additional vacation and/or sick leave hours while receiving donated vacation hours.
- Accounting of the vacation transfer is on a dollar basis. The vacation donated is recorded on the dollar value (# of hours x hourly rate of the donating employee). The value of vacation distributed to the donee is accounted by the dollar value (# of hours x hourly rate of donee).



Jefferson Science Associates has the absolute right to approve or deny any request to donate or receive vacation.

Jefferson Science Associates (JSA) has the right to terminate the Vacation Donation Program at any time for any reason. If the program is terminated, JSA will provide 30 calendar days advance written notice.