

DEPARTMENTAL FINANCIAL OBLIGATION RELATED TO DONATED SICK LEAVE

An important benefit of employment at MSU is the monthly accrual of sick leave. This accrual represents an obligation on the part of the employer to pay an individual when s/he is absent from work due to illness. Employees who have sufficient sick leave to cover absences receive a regular (full) paycheck. Hours not worked are deducted from the individual's accrued sick leave balance, thus reducing the obligation on the part of the employer. Once a sick leave balance has been exhausted, the employer no longer has an obligation to pay the employee for hours not worked.

The Donated Sick Leave policy [1045.00](#) and the [Donated Sick Leave Pool Program](#) allow eligible employees [1045.50](#) to “donate” hours from their own sick leave balance for use by certain employees [1045.40](#) and [1045.70](#) whose own leave accruals are exhausted. Donated hours carry no dollar value. Therefore the receiving employee's department bears the financial consequence of allowing him/her continued paid leave.

When an absent employee's work is absorbed by existing staff, there is no financial consequence to the department beyond paying the employee's regular (full) paycheck. However, if temporary staff is needed to cover work duties, the department is responsible for both the receiving employee's regular (full) paycheck, and any costs associated with compensating the temporary staff.