

The University of Wisconsin System
UPS OPERATIONAL POLICY: BN 5



SUBJECT: Catastrophic Leave Program

Original Issuance Date: July 1, 2015

Last Revision Date:

1. POLICY PURPOSE:

The purpose of this policy is to establish a catastrophic leave program for UW System employees. This program allows employees to donate earned paid leave credits, with the exception of sick leave or compensatory time, to employees who have a catastrophic need at their own or at a different UW institution.

2. POLICY BACKGROUND:

Catastrophic leave provisions for faculty, academic staff and limited employees were created by Regent Resolution [8227](#) (adopted 10/6/2000) and Unclassified Personnel Guidelines #9, [Unclassified Staff Paid Vacation, Holiday, and Catastrophic Leave](#) implemented the Regent resolution.

Catastrophic leave provisions for classified employees (university staff as of July 1, 2015), were provided for in [Wis. Stat. § 230.35\(2r\)](#), which allows for the Director of the Office of State Employment Relations (OSER) to establish a catastrophic leave program for classified employees. [Wis. Admin. Code § ER 18.15](#) sets forth the policies to be followed in the administration of the catastrophic leave program for classified employees. Prior to July 1, 2011, several collective bargaining agreements also contained catastrophic leave program provisions for union-represented classified UW System employees.

Effective July 1, 2015, catastrophic leave provisions for all UW System employees will be provided for in this policy.

3. POLICY DEFINITIONS:

Please see UPS Operational Policy [GEN 0: General Terms and Definitions](#) for a list of general terms and definitions.

Definitions specific to this policy:

“Catastrophic need” means a significant financial hardship that is due to an illness, medical condition, or injury that incapacitates or is expected to incapacitate an employee or an employee’s family member that requires the employee to take unpaid time off from work for an extended period of time, as defined by the institution.

“Donor” means any person meeting the eligibility requirements under Section 4.B. of this policy.

“Family member” includes all of the following:

- Employee's legal spouse;
- Employee's domestic partner;
- Children of the employee or of the employee's spouse or domestic partner (biological, adopted, step or foster child, or legal ward);
- Grandchildren of the employee or of the employee's spouse or domestic partner;
- Parents of the employee or of the employee's spouse or domestic partner (biological, adoptive, stepparent, foster parent or legal guardian
- Grandparents of the employee or of the employee's spouse or domestic partner;
- Brothers and sisters of the employee or of the employee's spouse or domestic partner and the spouse or domestic partner of the brothers and sisters;
- Aunts and uncles of the employee or of the employee's spouse or domestic partner;
- Sons-in-law or daughters-in-law (including domestic partner of the son or daughter) of the employee or of the employee's spouse or domestic partner; or
- Other relatives of the employee or the employee's spouse or domestic partner who reside in the same household as the employee.

"Leave credits" means vacation, vacation carryover, personal holiday, accrued legal holiday/floating legal holiday and leave in a paid leave bank (ALRA/sabbatical). "Leave credits" do not include sick leave or compensatory time-off credits. Refer to each applicable UPS operational policy for further information on types of leave credits.

"Recipient" means any person meeting the eligibility requirements under Section 4.A. of this policy.

4. POLICY:

The catastrophic leave program allows employees to donate earned paid leave credits, other than sick leave or compensatory time, to employees at their own or at a different UW institution who have a catastrophic need.

The manner in which leave is solicited and credited to the recipient shall be left to the discretion of each institution; however, great care should be taken to protect the confidentiality and the medical status of the recipient and of the recipient's family.

A. Determining Recipient Eligibility

(1) Eligible Recipient Criteria

To be an eligible recipient an employee must satisfy **all** of the following conditions:

- (a) Must be an active University of Wisconsin employee who earns sick leave; and
- (b) Must be in a university staff, faculty, academic staff, or limited appointment. Employees in student hourly, student assistant/graduate assistant, employee-in-training, or university staff temporary appointments are not eligible for this program; and
- (c) Be on approved unpaid leave of absence due to a catastrophic need of the employee or an immediate family member. The unpaid leave may be taken in non-continuous increments that are no shorter than one hour; and

- (d) Must submit an *Employee Request for Catastrophic Leave* ([UWS-420](#)) form to the chancellor or designee who determines recipient eligibility; and
- (e) Must have used all available sick leave credits earned under Wis. Stat. § 36.30; and
- (f) Must have an accrued leave balance of no more than 16 hours of combined earned vacation, vacation carryover, personal holiday, and banked vacation (sabbatical/ALRA); and
- (g) Must not be receiving other salary replacement income. Salary replacement income may include, but is not limited to:
 - Replacement income from other employment
 - Income Continuation Insurance
 - Workers Compensation
 - Hazardous duty benefits per UPS Operational Policy GEN 12: Hazardous Employment Benefits
 - Unemployment Compensation
 - Social Security
 - Private insurance
- (h) Be approved as an eligible recipient by the chancellor or designee.

(2) Required Recipient Forms

- (a) A potential recipient must complete an *Employee Request for Catastrophic Leave* ([UWS-420](#)).
- (b) The chancellor or designee will determine recipient eligibility consistent with program policies and guidelines and complete an *Employer Approval of Catastrophic Leave* (UWS-421). Such information or correspondence shall be treated in a highly confidential manner due to the personal/medical nature of the request.
- (c) If the leave meets the requirements and conditions of the Wisconsin (WFMLA) and Federal Family and Medical Leave Acts (FMLA), it should be charged to the employee's FMLA/WFMLA allocation, if available. See UPS Operational Policy [BN 4: Wisconsin and Federal Family and Medical Leave Acts](#) for additional information.

B. Determining Donor Eligibility

- (1) Potential donors must complete a *Catastrophic Leave Donor Authorization* ([UWS-422](#)) form. The chancellor or designee will determine donor eligibility consistent with program policies and guidelines.
- (2) To be an eligible donor, the employee must be actively employed at a UW institution (including UW-Madison) and have accrued leave credits available for donation.

C. Leave Credit Donations

- (1) All employees who meet the eligibility requirements in Section 4.A. of this policy may benefit from leave donated under this program. Recipients of donated leave may accept any type of eligible leave donation. For example, a donor may donate personal holiday to an employee who does not earn personal holiday (ex. employees in an academic year appointment do not earn personal holiday but they may use donated personal holiday hours under the catastrophic leave program). The recipient may use the leave donated in one-hour increments up to the percentage of his/her budgeted position.
- (2) A donor may donate leave credits to any eligible recipient, within the same UW institution or at another UW institution (including UW-Madison).
- (3) A donor may donate leave credits to any eligible recipient in any employee category. For example, university staff may donate leave credits to not only other university staff but also to faculty, academic staff and limited appointees and vice versa.
- (4) Leave credits may be donated in whole-hour increments only.
- (5) A donor may donate as frequently as the donor desires and may donate to more than one recipient (i.e., there is no limit on number of accrued leave hours a donor may donate).
- (6) Donated leave credits will be deducted from a donor's official leave accounting balance when the credits are actually used by the recipient. If a donor uses donated leave credits prior to use by the recipient, the donation is negated.
- (7) Donated leave credits will not be accepted if the recipient is no longer covered by catastrophic leave provisions (e.g., due to the recipient's return to work, end of employment contract or resolution of the catastrophic need).
- (8) Institutions are required to maintain adequate documentation to support leave use and adjustments to leave balances.
- (9) Leave donated for the purpose of a catastrophic illness or medical need shall in no way assume the rights, character or benefits of sick leave.

D. Leave Credit Usage by Recipients

Donated leave credits will be processed only after a catastrophic leave has been approved and notice provided to the appropriate payroll and/or human resources office pursuant to established institutional procedures.

- (1) There is no limit to the number of donated leave credits a recipient may receive, subject to (a) – (f) below.
 - (a) A recipient may only use donated leave consistent with the recipient's regularly scheduled hours per pay period at the time the unpaid leave began. Exception – if the employee is working a reduced schedule due solely to the catastrophic need, the employee may use catastrophic leave up to the employee's regular appointment percentage in absence of the catastrophic need.

“Regularly scheduled hours” does not include overtime hours or hours worked in excess of the employee’s appointment percentage.

- (b) Donated leave credits may be used by the recipient retroactively. For a recipient who subsequently leaves the position and is no longer an eligible employee or who terminates UW System employment, donated leave credits may only be used up to the date of ineligibility or termination.
- (c) Donated leave credits will be used on a first-in, first-used basis as determined by the date of receipt of the Catastrophic Leave Donor Authorization ([UWS-422](#)) form at the appropriate payroll and/or human resources office.
- (d) Leave credits earned by the recipient while using donated leave credits will be used prior to the donated leave credits.

Example: if an employee remains on payroll by using donated paid leave credits, the employee will continue to earn sick leave for the entire time in pay status. This earned sick leave should be used before donated paid leave credits are used.

- (e) If a legal holiday falls in a pay period in which a recipient is using paid leave credits, the employee is eligible to receive legal holiday pay provided the employee is otherwise eligible for legal holiday pay per UPS Operational Policy [BN 2: Personal Holiday and Legal Holiday Administration](#) .
 - (f) Leave donated under the Catastrophic Leave program may be used to meet the Income Continuation Insurance (ICI) elimination period. Once the ICI elimination period is met and the recipient is eligible to receive ICI benefits, no more donated leave may be used. At no time may payments received under the Catastrophic Leave Program and the Income Continuation Insurance Program, or any other state sponsored income replacement program, be collected simultaneously.
- (2) Leave credits donated to recipients are not subject to the carryover provisions and limitations regarding vacation, vacation carryover, and personal holiday. The leave credits must be donated prior to the leave expiration date.

Example: Personal holiday hours expire at the end of each calendar year for university staff. A university staff employee can donate unused personal holiday hours on December 30 of a year and the recipient may use these hours on or after January 1. These hours do not expire provided they are donated before they are lost.

- (3) Donated leave credits will not be reflected on the recipient’s official leave accounting balance until the pay period in which the credits are actually used by the recipient.
- (4) The donated leave credits will be paid to the recipient at the recipient’s wage rate during the pay period in which the credits are used.

E. Catastrophic Leave and Insurance Benefits

When an employee is using donated leave credits to remain on payroll, benefit deductions should continue to be deducted from earnings; however, donated leave cannot be used intermittently to extend the employer contribution towards benefits.

F. Appeal Provisions

No employee may grieve a UW System institution's decision relative to the catastrophic leave program. Each respective institution may establish appeals procedures for this policy separate from the established grievance procedures.

5. RELATED DOCUMENTS:

Employee Request for Catastrophic Leave [UWS-420](#)
Employer Approval of Catastrophic Leave UWS-421 (under construction)
Catastrophic Leave Donor Authorization [UWS-422](#)
[UPS Operational Policy GEN 12: Hazardous Employment Benefits](#)
[UPS Operational Policy BN 1: Vacation, Paid Leave Banks, and Vacation Cash Payouts](#)
[UPS Operational Policy BN 2: Personal Holiday & Legal Holiday Administration](#)
[UPS Operational Policy BN 3: Sick Leave](#)
[UPS Operational Policy BN 4: Wisconsin and Federal Family and Medical Leave Acts](#)
Regent Resolution [8227](#) (adopted 10/6/2000)

6. POLICY HISTORY:

[University Personnel Guideline #9: Unclassified Paid Vacation, Holiday, and Catastrophic Leave Policy](#)
Wis. Stat. § [230.35\(2r\)](#), [State office hours; standard workweek; leaves of absence; holidays](#)
Wis. Admin. Code § [ER 18.15](#), [Catastrophic leave](#)
[Wisconsin Human Resources Handbook, Chapter 660, Catastrophic Leave Program](#)
Reviewed by the Board of Regents, April 10, 2015