Can an employee be paid for accrued sick leave?

In accordance with the attendance incentive program established by RCW 41.04.340, employees are eligible to be paid for accrued sick leave as follows:

1. In January of each year, an employee whose sick leave balance at the end of the previous year exceeds four hundred eighty hours may elect to convert the sick leave hours earned in the previous calendar year, minus those hours used during the year, to monetary compensation.
   
   a. No sick leave hours may be converted which would reduce the calendar year-end balance below four hundred eighty hours.
   
   b. Monetary compensation for converted hours is paid at the rate of twenty-five percent and is based on the employee's current salary.
   
   c. All converted hours are deducted from the employee's sick leave balance.
   
   d. Hours which are accrued, donated and returned from the shared leave program in the same calendar year may be included in the converted hours for monetary compensation.
   
   e. For the purpose of this section, hours which are contributed to a sick leave pool per WAC 357-31-570 are considered hours used.

2. Employees who separate from state service because of retirement or death must be compensated for their total unused sick leave accumulation at the rate of twenty-five percent. The employer may deposit equivalent funds for a retiring employee in a medical expense plan as provided in WAC 357-31-375. Compensation must be based on the employee's salary at the time of separation. For the purpose of this subsection, retirement does not include "vested out-of-service" employees who leave funds on deposit with the department of retirement systems (DRS).

3. No contributions are to be made to the department of retirement systems (DRS) for payments under subsection (1) or (2) of this section, nor are such payments reported to DRS as compensation.

[Statutory Authority: Chapter 41.06 RCW. WSR 15-11-102, § 357-31-150, filed 5/20/15, effective 6/22/15; WSR 11-19-091, § 357-31-150, filed 9/20/11, effective 10/24/11; WSR 09-11-068, § 357-31-150, filed 5/14/09, effective 6/16/09; WSR 08-07-062, § 357-31-150, filed 3/17/08, effective 4/18/08; WSR 07-11-095, § 357-31-150, filed 5/16/07, effective 7/1/07; WSR 07-03-051, § 357-31-150, filed 1/12/07, effective 2/15/07; WSR 05-08-136, § 357-31-150, filed 4/6/05, effective 7/1/05.]