

WAC 415-104-401 Cash outs of accrued leave or other forms of severance pay are not LEOFF Plan 2 basic salary. (1) A cash out from an employer for unused accrued leave is a deferred salary or wage for services previously rendered. However, the payment is not basic salary because it is specifically excluded from the definition of basic salary for LEOFF Plan 2 in RCW 41.26.030.

Example 1: "Kelly" days reduce the number of hours an employee works and are commonly used to minimize the need to pay overtime. A firefighter may accrue eleven "Kelly" days based on the shift schedule of the employee. If used as leave and paid at the normal rate of pay, these are basic salary. However, a cash out of this leave is excluded from the definition of basic salary.

Example 2: A police officer may receive a personal or "floating" holiday each year. If used as leave and paid at the normal rate of pay, this holiday pay is basic salary. However, a cash out of this leave is excluded from the definition of basic salary.

Example 3: An administrator may receive a monthly accrual of "executive leave" in lieu of additional salary, in recognition of additional hours of public service such as community meetings, council meetings, and major events. However, a cash out of this leave is excluded from the definition of basic salary.

(2) **Other forms of severance pay are not basic salary.** Any form of severance payment received from an employer upon termination is not included as basic salary in LEOFF Plan 2 because it is excluded from the statutory definition of basic salary.

[Statutory Authority: RCW 41.50.050. WSR 20-24-109, § 415-104-401, filed 12/1/20, effective 1/1/21. Statutory Authority: RCW 41.50.050 and 41.50.055. WSR 97-01-016, § 415-104-401, filed 12/6/96, effective 1/6/97.]