

Legal Problems With Paid Time Off?

Paid time-off combines sick leave, holidays, mental health days, vacation time and the like into a pool of leave time that can be used as employees wish. However, under Oklahoma law vacation leave is treated differently from other types of leave.

Vacation leave is defined as wages and must be cashed out at separation from employment under 40 O.S. Sections 165.1(4) and 165.3. See also, *Biggs v. Surrey Broadcasting Co.*, 811 P.2d 111 (Ok.App.1991) and Op.Atty.Gen. No. 85-47 (May 13, 1985). We also know that unused sick leave is not required to be cashed out unless required by the employer's policy. *Simpson v. City of Blanchard*, 797 P.2d 346 (Ok.App.1990).

If vacation leave is rolled into paid time-off, how is it determined which of those hours constitutes vacation leave? Or, does the entire combined leave time fall under Section 165.3 since all of the combined hours are eligible to be used for vacation?

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