

INFORMATIONAL CIRCULAR NO.: 20-P-035

DATE: April 15, 2020

SUBJECT: New Earnings Codes and Agency Guidance for Implementation of the Families First Coronavirus Relief Act (FFCRA)

EFFECTIVE DATE: April 5, 2020

OAR CONTACTS: Earl Brynds (785) 296-5376 (Earl.Brynds@ks.gov)
Nancy Ruoff (785) 296-2853 (Nancy.Ruoff@ks.gov)

APPROVAL:

SUMMARY: New Earnings Codes and Agency Guidance for Implementation of the Federal Families First Coronavirus Relief Act (FFCRA)

On March 18, 2020, the Federally authorized Families First Coronavirus Relief Act (FFCRA) was signed into law to aid employees impacted by COVID-19. The FFCRA contains the Emergency Paid Sick Leave Act (EPSLA) and the Emergency Family and Medical Leave Expansion Act (EFMLEA) which authorize paid leave provisions for specific circumstances related to COVID-19 and apply to leave taken between April 1, 2020 and December 31, 2020.

The Act specifies that wages paid for FFCRA authorized leave are not considered wages for the calculation of the employer share of OASDI, however, all other employee and employer deductions, withholdings, and contributions apply.

Please note that due to the State of Kansas providing state-authorized administrative leave to state employees through April 4, 2020, the FFCRA leave provisions will be implemented for SHARP agencies effective April 5, 2020.

Earnings Codes:

New earnings codes have been added to SHARP effective April 5, 2020 to administer the tracking of the compensation paid under the FFCRA guidance. Agencies should also refer to the Office of Personnel Services SHARP Infolist message containing guidance for entry of Time Reporting Codes used to record leave authorized under the FFCRA.

The following new earnings codes are effective for the pay period beginning April 5, 2020 through April 18, 2020 paid May 1, 2020.

<u>Earnings Code</u>	<u>Description</u>	<u>Short Description</u>	<u>Effective Date</u>
ADC	Leave-Emergency Self	Lve-COVID	04/05/2020
CVF	Leave-Emergency Family	Lve-COVID	04/05/2020
CVC	Leave-Emergency Childcare	Lve-COVID	04/05/2020
ADF	Leave-Emergency Admin	Lve-COVID	04/05/2020

Due to the complexity of the payroll calculations required under the FFCRA, the Time Reporting Codes established to track FFCRA leave in Time and Labor are NOT mapped directly to the payroll earnings code in SHARP. However, the hours reported in Time and Labor are required to complete the payroll calculations.

Payroll Calculations under FFCRA:

As authorized by the FFCRA, employees are eligible for paid leave subject to daily limits. However, to further assist employees impacted by COVID-19, beginning April 5, 2020 and until further notice, the State of Kansas Executive Branch has authorized additional emergency administrative leave for SHARP employees authorized to take leave under the FFCRA to fill the gap between the FFCRA-authorized wage limits and the employee's regular wages (defined as standard hours at standard hourly rate).

Employee Paid Leave Eligibility under FFCRA:

Under the EPSLA, eligible employees may receive up to two weeks (80 hours, or a part-time employee's two-week equivalent) of paid sick leave paid at:

100% of employee's FFCRA-defined regular rate of pay for an employee who:

- Is subject to a Federal, State, or local quarantine or isolation order related to COVID-19
- Has been advised by a health care provider to self-quarantine related to COVID-19
- Is experiencing COVID-19 symptoms and is seeking a medical diagnosis

2/3 of employee's FFCRA-defined regular rate of pay for an employee who:

- Is caring for an individual who is subject to a Federal, State, or local quarantine or isolation order or who has been advised by a health care provider to self-quarantine related to COVID-19
- Is experiencing any other substantially similar condition specified by the U.S. Department of Health and Human Services
- NOTE: Emergency administrative leave will be inserted into the paysheet for the additional 1/3 of employee's wages (effective 04/05/20 until further notice)

Under the EPSLA, all eligible employees may receive up to two weeks of paid sick leave (80 hours/week, or a part-time employee's equivalent) and under the EFMLEA individuals employed for 30 days or more may receive an additional 10 weeks of paid family/medical leave paid at:

2/3 of employee's FFCRA-defined regular rate of pay for an employee who:

- Is caring for his or her child whose school or place of care is closed (or child-care provider is unavailable) due to COVID-19 related reasons
- NOTE: Emergency administrative leave will be inserted into the paysheet for the additional 1/3 of employee's wages (effective 04/05/20 until further notice)

The Office of Accounts and Reports, Payroll Systems Team, is responsible for adding the new earnings codes and FFCRA calculations in the SHARP System. Regents' institutions are responsible for implementing the new earnings codes in their payroll systems in accordance with guidance from the Office of Accounts and Reports and the Kansas Board of Regents.

Office of Accounts and Reports Contacts:

- Nancy Ruoff, Statewide Payroll Manager (785) 296-2853 Nancy.Ruoff@ks.gov
- Earl Brynds, Payroll Systems Team Lead (785) 296-5376 Earl.Brynds@ks.gov

Office of Personnel Services Time and Labor Contacts:

- Connie Guerrero, Deputy Director Connie.Guerrero@ks.gov
- Brent Smith, Human Resource Professional Brent.Smith@ks.gov