



CLALLAM COUNTY
HUMAN RESOURCES DEPARTMENT
COUNTY COURTHOUSE
223 E. 4TH ST., SUITE 16
PORT ANGELES, WA 98362-3015
PHONE: (360) 417-2241
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Tuesday, April 7, 2020 @ 1:46pm via email to @County Employees from Deputy Director, Tom Reyes

For payroll purposes, we are currently working through how best to apply the rules related to the new Families First Coronavirus Response Act (FFCRA). It seems simple enough, but coding and creating formulas in Eden (our payroll system) is taking more time than expected. We hope to have a clarifying email sent out in the next few days on how to record your hours worked. With that said, the below information we felt was important enough to put out immediately. Please take a minute to review this information. In short, per the Department of Retirement Systems (DRS), in some situations your use of FFCRA leave could result in a reduction of DRS service credits.

To help you better understand, DRS requires you to work a minimum number of hours in a calendar month to receive a full service credit (up to 12 credits per year). The number of work hours needed per month for this service credit can vary from plan to plan (see Eleanor's chart below). Per the new DRS rule outlined below, FFCRA leave used that results in 2/3 rate of pay does not count towards the accumulative hours needed in a calendar month to receive a full service credit. For example, if you are out for a full 8 hour day on FFCRA leave compensated at 2/3 rate of pay, you will lose all 8 hours towards your accumulative monthly hours needed for a full service credit. Further, if you use the full 80 hours of FFCRA leave in a single month you could come up short for a full service credit. For most of us, you need only 90 + hours in a single month to receive a full service credit. Just remember, some months have fewer work hours than others, so monitor your FFCRA leave use during those months.

In most cases, this DRS decision only becomes problematic when you are using the full 10 weeks of FFCRA leave while caring for your child due to a school closure. This category of leave is paid at 2/3 rate of pay. As I said above, if you are out for a full day using leave paid at 2/3 rate of pay, it is a loss of 8 hours towards your monthly accumulative hours needed for a full service credit. Using this type of leave for an entire month would result in a lost service credit.

Some good news here. If you are using FFCRA leave paid at 2/3 rate of pay, you can use your personal leave banks (sick, FH, or vacation) to make up the difference so as to receive full compensation for that day. This amounts to 2.67 hours of personal leave to make you whole for the day. DRS does recognize this time (2.67 hours) towards your monthly accumulative hours needed for a full service credit.

Lastly, FFCRA leave compensated at 100 percent of your rate of pay does not apply to this DRS reduction. In that case, all time (i.e. 8 hours) counts toward your monthly accumulative total needed for a full service credit.



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PERS Plan 1

Earn 1 service credit = if you are compensated for 70 or more hours in a calendar month

Beginning 9/1/1991, you will also earn .25 service credit = if you are compensated for fewer than 70 hours in a calendar month

PERS Plan 2 & 3, LEOFF Plan 2, and PSERS

Earn 1 service credit = if you are compensated for 90 or more hours in a calendar month

Earn .5 service credit = if you are compensated for fewer than 90 but at least 70 hours in a calendar month

Earn .25 service credit = if you are compensated for fewer than 70 hours in a calendar month

IMPORTANT NOTE: No more than one month of service credit can be earned each calendar month, even if more than one employer is reporting hours you work.

Congress recently passed [HR 6201](#), the Families First Coronavirus Response Act (FFCRA or Act). The two sections of the Act that impact retirement reporting are:

- Section 3101 - Emergency Family and Medical Leave Expansion Act
- Section 5101 - Emergency Paid Sick Leave Act

The Act requires certain employers to provide employees with paid sick leave or expanded family and medical leave for specified reasons related to COVID-19. The U.S. Department of Labor's Wage and Hour Division administers and enforces the new law's paid leave requirements. These [provisions](#) will apply from the effective date through Dec. 31, 2020.

Generally, the Act provides that employees of covered employers are eligible for:

- Two weeks (up to 80 hours) of paid sick leave at normal rate of pay – when the employee is quarantined and unable to work because of COVID-19.
- Two weeks (up to 80 hours) of paid sick leave at 2/3 rate of pay – when the employee is caring for someone else because of COVID-19.
- Up to an additional 10 weeks of paid expanded FMLA at 2/3 rate of pay – when the employee must care for child who is home because of COVID-19.

Please refer to the following chart to determine if leave payments paid to employees per the FFCRA are considered reportable to DRS:



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Entitlement per FFCRA	Reportable to DRS?
<p>Two weeks (up to 80 hours) of paid sick leave at the employee's regular rate of pay where the employee is unable to work because the employee is quarantined (pursuant to federal, state, or local government order or advice of a health care provider), and/or experiencing COVID-19 symptoms and seeking a medical diagnosis; or</p>	<p>Yes, because the leave is being paid at the employee's regular rate of pay.</p>
<p>Two weeks (up to 80 hours) of paid sick leave at two-thirds the employee's regular rate of pay because the employee is unable to work because of a bona fide need to care for an individual subject to quarantine (pursuant to federal, state, or local government order or advice of a health care provider), or to care for a child (under 18 years of age) whose school or child care provider is closed or unavailable for reasons related to COVID-19, and/or the employee is experiencing a substantially similar condition as specified by the Secretary of Health and Human Services, in consultation with the Secretaries of the Treasury and Labor; and</p>	<p>No, not at 2/3 regular rate of pay.</p> <p>Note: employees are eligible to purchase <i>optional service credit</i> from DRS for the period of time they were paid at 2/3 normal rate.</p> <p>Any accrued leave the employee utilizes at normal rate of pay is reportable to DRS.</p> <p>Should your agency opt to provide leave to employee at their full rate of pay, it would be reportable.</p>
<p>Up to an additional 10 weeks of paid expanded family and medical leave at two-thirds the employee's regular rate of pay where an employee, who has been employed for at least 30 calendar days, is unable to work due to a bona fide need for leave to care for a child whose school or child care provider is closed or unavailable for reasons related to COVID-19.</p>	<p>No, not at 2/3 regular rate of pay.</p> <p>Note: employees are eligible to purchase <i>optional service credit*</i> from DRS for the period of time they were paid at 2/3 normal rate.</p> <p>Any accrued leave the employee utilizes at normal rate of pay is reportable to DRS.</p> <p>Should your agency opt to provide leave to employee at their full rate of pay, it would be reportable.</p>

*Retirement system members have the option to apply for service credit for periods of public service or a leave of absence that fall under rules other than normally accumulated service credit. This is referred to as optional service. Optional service can be acquired by paying contributions within a specific time period immediately after returning to normal active service. The member should [contact DRS](#)

We are here to help you. If you have any questions regarding this notice, please contact Employer Support Services at 360-664-7200, option 2, or 800-547-6657, option 6, and then option 2, or [email us](#).