

Reporting Employees on a COVID-19 Related Leave

Through the provisions of Act 13 of 2020, school entities were to report to PSERS what they would have reported for their school employees who were employed as of March 13, 2020 for the 2019-2020 school year based on the retirement-covered compensation (RCC) paid to such school employee regardless of whether school service was rendered. Such provisions do not apply to the 2020-2021 school year.

As of July 1, 2020, all PSERS reporting units should report to PSERS those employees who are rendering school service. A school employee, who is teleworking, is providing school service and must be reported. If an employee is unable to work onsite due to COVID-19 related reasons and unable to telework, then the employee may be reported to PSERS under an approved leave of absence or through accrued leave, if applicable.

1. **Approved Leave of Absence.** An employee may be reported to PSERS under an approved leave of absence recognized by the Retirement Code. Depending on the reason and duration, an employee may be reported on a Special Sick Leave (SSL). An employee is able to receive credit with PSERS under the SSL if all the requirements of such leave are met, including that the employee uses this leave for the employee's own illness or physical condition that prevents the employee from performing their job. This type of leave must be reported to PSERS by updating the employee's contract record in the employee's account through ESS. See Chapter 10 of the Employer Reference Manual for information on the requirements for approved leave of absences. <https://www.psers.pa.gov/Employers/Documents/10.pdf>

Note: Leave under the Families First Coronavirus Response Act (FFRCA) is not creditable with PSERS, unless the employee is approved for a SSL. The leave provisions of the FFRCA do not fit any of the approved leave of absences in the Retirement Code. Thus, while lawful, PSERS is unable to recognize it as an approved leave for which the employee receives credited service.

2. **Accrued leave.** Payments for accrued, used leave (e.g. sick, vacation, personal) are RCC. The Contract Record should remain as "ACTIVE - Actively Working." Such payments are reported in the monthly Work Report in the Base field. The service will be reported per the wage type of the employee and the associated time would be considered as pensionable service credit.
3. **Sick Leave Bank or Donated Leave.** The employer may create a formal "sick leave bank" (a specific number of days for use by any employee) or permit leave to be donated; provided such arrangement qualifies as a SSL, including the requirement that the leave is used for the employee's own illness or physical condition that prevents the employee from performing their job. If the pay is reduced, retirement contributions must be deducted and reported to PSERS on the salary the member would have earned had he or she not been on such SSL. An employer may report such payments as a SSL or, if the leave is less than or equal to one pay period, the employer for administrative ease may report the employee as "ACTIVE - Actively Working." If the leave extends beyond a single pay period, then the leave would need to be reported as a SSL and a new Contract Record would need to be submitted. For additional information on reporting SSL, see Chapter 10 of the Employer Reference Manual, *Reporting – Leaves of Absence*.

Note: Most arrangements have additional requirements regarding the use of a sick leave bank and it must relate to the medical condition of an employee. Thus, precautionary measures, such as a mass shutdown, may not qualify as a SSL.

If you have any questions or need additional assistance please contact your PSERS Employer Service Center representative.

