

Subject: Worker's Compensation Option 3 Maintenance

Audience: HR Directors

The SC Human Resources Division (HRD) and the SCEIS Team recommend the following best practices when maintaining records regarding Holiday Compensatory (Holiday Comp) time and holiday pay while an employee is on Worker's Compensation (Worker's Comp) Option 3 holidays:

1. Currently, when an employee is on Worker's Comp Option 3, the leave type 2038 (Worker's Comp) is used as a placeholder in the employee's record in certain situations. If a holiday falls during the time period that leave type 2038 is being used, the system forfeits the paid holiday, and the employee does not receive compensation for that day.

Per HRD, an employee should be paid for holidays that fall within the time period that he/she is on Worker's Comp Option 3. As a result, leave type 2038 (Worker's Comp) will need to be left out of the record to allow the system to pay the employee for the holiday.

2. If an employee has earned Holiday Comp time prior to going on Worker's Comp Option 3, and any of that time expires while the employee is on Worker's Comp Option 3, the system will compensate that time at the pro-rated hourly amount housed in IT0008-Basic Pay. Employees should receive compensation for these hours at their normal hourly rate since they earned the hours while receiving their regular pay.

It is not possible to change the rate of pay the system uses during the period of Worker's Comp Option 3. To ensure employees are properly paid for an expired Holiday Comp time, agencies should calculate the difference between what the system is paying at the pro-rated rate and what the employee should earn based on the regular rate of pay and create an agency pay correction.

Example of Pay Correction

Susan Johnson, a non-exempt employee, earns 8 hours of Holiday Comp time on 9/2/13 when her hourly rate in IT0008-Basic Pay is \$15.00/hour. She went out on Worker's Comp Option 3 from 10/1/13 to 2/1/14, during which time her pro-rated salary was calculated as \$2.00/hour in IT0008. The 8 hours of Holiday Comp time expires on 12/2/13, and the system calculates her payout as \$16.00.

Based on her hourly rate in IT0008, she should be paid out at the hourly rate of \$15.00/hour. Therefore, the agency needs to complete an agency pay correction effective 12/2/13 (the beginning of the affected pay period) in the amount of \$104.00. This number is the amount that is actually due minus the amount that is being paid by the system ($\$120.00 - \$16.00 = \$104.00$).

3. Employees earning Holiday Comp time for full or partial days off on holidays while on Worker's Comp Option 3 should receive the full amount of Holiday Comp time due for the holiday(s). The system is currently handling this correctly. *Reminder: employees who*

receive quota corrections from the agency for Holiday Comp received for their partial day falling on a holiday should receive the difference between their scheduled hours that day and their average work day.

Example of Quota Correction (Partial Day)

Charles Smith is on a flex schedule and has a 5 hour work day every other Friday. His average work day is 7.5 hours as shown in IT0007-Planned Working Time. While he is on Worker's Comp Option 3, he is scheduled for a 5 hour work day on the 11/29/13 holiday.

The employee is due a 2.5 hour quota correction for Holiday Comp time effective 11/29/13 (date of the holiday earned) in order to fully compensate him for that holiday. His average work day of 7.5 hours minus his 5 hour scheduled work day equals the 2.5 hours that he is due in Holiday Comp time.

This communication is intended for use in conjunction with the **Leave of Absence with Pay Workers Compensation Option 3** uPerform document at the following link: <https://upperform.sc.gov/gm/folder-1.11.7437?mode=EU&primaryCSH=workers>. The uPerform document is being updated to reflect the above information in the "Tips and Tricks" section of the BPP document.

If you have any questions about this message, please contact the SCEIS Service Desk at (803) 896-0001 (select option 1 for SCEIS help) or use the email form available at the following link: <http://www.sceis.sc.gov/requests/>.