



September 11, 2020

TO: Business, Payroll and Personnel Administrators
Los Angeles County Schools and Community College Districts
Charter Schools and Other Local Educational Agencies

FROM: April R. Casey, Payroll Systems Coordinator
District Personnel Information Services
Division of School Financial Services

SUBJECT: Families First Coronavirus Response Act – 2020 IRS Form W-2
Addendum Attachment Added Containing Detailed Reporting Instructions

The **Families First Coronavirus Response Act (FFCRA or Act)** requires certain employers, including school districts, to provide employees with paid sick leave or expanded family and medical leave for specified reasons related to COVID-19.

Employers are required to report the amount of qualified leave wages paid to employees under FFCRA on the 2020 W-2. We are currently working with our W-2 vendor to develop a process in which we plan to collect and interface FFCRA information on behalf of districts. This will allow qualified leave wages (by category) to appear on the W-2 in “Box 14”. Per the Social Security Administration, Box 14 is considered “informational”, therefore this information will not be included on annual HRS W-2 reports or the related electronic wage and tax file sent to the Social Security Administration.

To assist districts in tracking FFCRA pay, we have established an earn code (FFC). Districts are **not** required to use this earn code, and most have elected to instead manually track the FFCRA pay. Since most districts have not established this earn code, or established it late, manual tracking is necessary. The FFCRA’s initially published guidelines did not indicate there would be three distinct categories required for “Box 14” reporting, hence the delayed set-up. If you would like to establish the FFC earn code or need information for appropriate use at your district, please contact Terrie Luevano at Luevano_Terrie@lacoed.edu.

Important action item:

All districts should maintain a tracking mechanism to monitor qualified FFCRA leave wages paid to employees. Any form of tracker the district uses can be as detailed as needed. At a bare minimum you must track, by employee, wages paid in each of the three categories described in the next section.

We have sample spreadsheets available if needed. Contact the Payroll team at SFS_Payroll_Manager@lacoe.edu for more information.

U.S. Department of Labor FFCRA Guidance:

The Department of Labor's Wage and Hour Division (WHD) administers and enforces the new law's paid leave requirements, and have provided the guidance which is attached to this Bulletin. These provisions will apply through December 31, 2020.

Generally, employees of covered employers are eligible for:

- *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
- *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
- *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.

These three leave types must be tracked separately for each employee. Additional details, such as qualifying reasons for leave, duration of leave and calculation of pay are fully described in the Department of Labor attachment.

Next Steps:

Addendum Attachment No. 2 contains detailed information on how and when to submit FFCRA wages for inclusion on the 2020 W-2.

Additional Resources:

United States Department of Labor:

<https://www.dol.gov/agencies/whd/pandemic/ffcra-employee-paid-leave>

<https://www.dol.gov/agencies/whd/pandemic/ffcra-questions>

IRS Notice 2020-54:

<https://www.irs.gov/newsroom/treasury-irs-issue-guidance-on-reporting-qualified-sick-and-family-leave-wages-paid>

Approved:
Sean Lewis
Assistant Director
School Financial Systems and Services

AC:sm
Attachments

SFS-A10-2020-2021



Wage and Hour Division

Families First Coronavirus Response Act: Employee Paid Leave Rights

The **Families First Coronavirus Response Act (FFCRA or 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 Department of Labor's (Department) Wage and Hour Division (WHD) administers and enforces the new law's paid leave requirements. These provisions will apply from the effective date through December 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 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
- *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
- *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.

Covered Employers: The paid sick leave and expanded family and medical leave provisions of the FFCRA apply to certain public employers, and private employers with fewer than 500 employees.[1] Most employees of the federal government are covered by Title II of the Family and Medical Leave Act, which was not amended by this Act, and are therefore not covered by the expanded family and medical leave provisions of the FFCRA. However, federal employees covered by Title II of the Family and Medical Leave Act are covered by the paid sick leave provision.

Small businesses with fewer than 50 employees may qualify for exemption from the requirement to provide leave due to school closings or child care unavailability if the leave requirements would jeopardize the viability of the business as a going concern.

Eligible Employees: *All employees* of covered employers are eligible for two weeks of paid sick time for specified reasons related to COVID-19. *Employees employed for at least 30 days* are eligible for up to an additional 10 weeks of paid family leave to care for a child under certain circumstances related to COVID-19.[2]

Notice: Where leave is foreseeable, an employee should provide notice of leave to the employer as is practicable. After the first workday of paid sick time, an employer may require employees to follow reasonable notice procedures in order to continue receiving paid sick time.

Qualifying Reasons for Leave:

Under the FFCRA, an employee qualifies for paid sick time if the employee is unable to work (**or unable to telework**) due to a need for leave because the employee:

1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19;
2. has been advised by a health care provider to self-quarantine related to COVID-19;
3. is experiencing COVID-19 symptoms and is seeking a medical diagnosis;
4. is caring for an individual subject to an order described in (1) or self-quarantine as described in (2);
5. is caring for a child whose school or place of care is closed (or child care provider is unavailable) for reasons related to COVID-19; or

6. is experiencing any other substantially-similar condition specified by the Secretary of Health and Human Services, in consultation with the Secretaries of Labor and Treasury.

Under the FFCRA, an employee qualifies for expanded family leave if the employee is caring for a child whose school or place of care is closed (or child care provider is unavailable) for reasons related to COVID-19.

Duration of Leave:

For reasons (1)-(4) and (6): A full-time employee is eligible for 80 hours of leave, and a part-time employee is eligible for the number of hours of leave that the employee works on average over a two-week period.

For reason (5): A full-time employee is eligible for up to 12 weeks of leave (two weeks of paid sick leave followed by up to 10 weeks of paid expanded family & medical leave) at 40 hours a week, and a part-time employee is eligible for leave for the number of hours that the employee is normally scheduled to work over that period.

Calculation of Pay:[3]

For leave reasons (1), (2), or (3): employees taking leave are entitled to pay at either their regular rate or the applicable minimum wage, whichever is higher, up to \$511 per day and \$5,110 in the aggregate (over a 2-week period).

For leave reasons (4) or (6): employees taking leave are entitled to pay at 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$2,000 in the aggregate (over a 2-week period).

For leave reason (5): employees taking leave are entitled to pay at 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$12,000 in the aggregate (over a 12-week period). [4]

[1] Certain provisions may not apply to certain employers with fewer than 50 employees. See Department FFCRA regulations (expected April 2020).

[2] Under the Act, special rules apply for Health Care Providers and Emergency Responders.

[3] Paid sick time provided under this Act does not carryover from one year to the next. Employees are not entitled to reimbursement for unused leave upon termination, resignation, retirement, or other separation from employment.

[4] An employee may elect to substitute any accrued vacation leave, personal leave, or medical or sick leave for the first two weeks of partial paid leave under this section.

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Wage and Hour Division

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Addendum Attachment to Bulletin 5259

In order to report the amount of qualified leave wages paid to employees under FFCRA on the 2020 IRS Form W-2, LACOE must collect and interface the required information to our W-2 vendor. Each district should currently be maintaining a spreadsheet to monitor and track FFCRA Pay for the following three categories:

W-2 Code	Description
CV19-511	Sick leave wages subject to the \$511 per day limit (not to exceed \$5,110) Applies to employees unable to work due to: <ul style="list-style-type: none">• A federal, state, or local quarantine or isolation order related to COVID-19• COVID-19 self-quarantine at the direction of a health care provider• COVID-19 symptoms and pending medical diagnosis
CV19-200	Sick leave wages subject to the \$200 per day limit (not to exceed \$2,000) Applies to employees unable to work due to: <ul style="list-style-type: none">• Employee is caring for an individual subject to a federal, state, or local quarantine or isolation order or an individual subject to self-quarantine at the direction of health care provider• Employee is caring for son or daughter if the school or place of care of the son or daughter has been closed, or the child care provider of such son or daughter is unavailable due to COVID-19 precautions• Employee is experiencing substantially similar conditions specified by the Secretary of Health and Human Services in consultation with the Secretaries of the Treasury and Labor
CV19-FMLA	Emergency Family leave wages subject to the \$200 per day limit (not to exceed \$10,000) Applies to employees unable to work due to: <ul style="list-style-type: none">• Employee is caring for his or her child whose school or place of child care is closed or child care provider is unavailable due to COVID-19 precautions

LACOE has created a simplified spreadsheet to record and submit FFCRA wages for inclusion on the 2020 W-2. The following spreadsheet is located at <https://www.lacoe.edu/Payroll>, in the Resource area on the right.

Resources

- [FFCRA W-2 Spreadsheet](#)



Sample completed spreadsheet:

	A	B	C	D	E	F
1			CV19-511 - Sick leave wages subject to the \$511 per day limit CV19-200 - Sick leave wages subject to the \$200 per day limit CV19-FMLA - Emergency Family Leave wages			
2						
3						
4						
5			NOT TO EXCEED:	\$ 5,100.00	\$ 2,000.00	\$ 10,000.00
7	BU#	EID	EE Last Name, First Initial	CV19-511	CV19-200	CV19-FMLA
8	12345	AB1234567	Smith, S	1,000.00	2,000.00	1,000.00
9	12345	CD2345678	Jones, J	2,000.00	-	750.00
10						
11						

When completing the spreadsheet, be sure to provide:

- Employee Identification Number (EID)
- Employee last name and first initial
- Any gross pay provided under each category
 - o Be mindful of the limits provided. Amounts exceeding limits will be returned.

Timing of Submission and Deadline

You may complete and submit your spreadsheet when you are done paying and tracking FFCRA for employees for this calendar year. The final processing date for payrolls issuing in 2020 is Tuesday December 22nd. Any cycle producing after that day will issue in 2021 and should not be included.

The deadline for submission of the FFCRA spreadsheet is **Wednesday December 30th**. LACOE will not contact districts to request this information. If your district does not submit a spreadsheet, we will assume you did not have FFCRA pay to report. Late submissions may not be accepted because of the time needed to meet processing deadlines.

Submit completed spreadsheets to [SFS W2 Requests@laoe.edu](mailto:SFS_W2_Requests@laoe.edu) with your district's name and "**FFCRA W-2**" in the subject line. We will confirm receipt and let you know if we have any questions.

Logistics

The information provided will appear as memo items on the W-2 in "Box 14". Districts should permanently retain their FFCRA spreadsheets as this information will not be reflected on HRS reports and may need to be referenced in the future. W-2 memo items are not required nor included in the annual W-2 electronic submission to the Social Security Administration/IRS.

A description of the "Box 14" codes will be added to the back of all 2020 W-2s.

Questions?

If you have questions about this topic, contact April Casey at [SFS W2 Requests@laoe.edu](mailto:SFS_W2_Requests@laoe.edu).