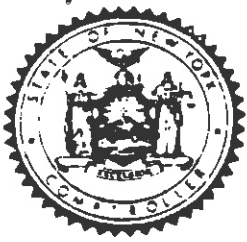




Office of the State Comptroller
PAYROLL BULLETIN

Subject Manual for Workers' Compensation Program	Bulletin No. P-481
	Date April 23, 1986
<p>The manual for the new workers' compensation program effective April 1, 1986 is attached.</p>	
Attachment	



Office of the State Comptroller
PAYROLL BULLETIN

Subject Manual for Workers' Compensation Program	Bulletin No. p-481 Revisions
	Date May 5, 1986
<p>Attached are revised pages for the Workers' Compensation manual.</p>	
Attachments	

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I. INTRODUCTION

A new Workers' Compensation Benefit Program was approved in the 1985-88 Contracts for employees in Negotiating Units 02, 03, 04, 05 and 67 and extended to management/confidential employees in Negotiating Units 06, 18, 46, 48, 52 and 66. The new system applies for all job related injuries occurring on or after April 1, 1986 for these employees.

If an employee's claim is accepted by State Insurance Fund, the employee will receive, in lieu of a full salary check, a payment issued by SIF and a supplement issued by OSC. Together, these amounts will equal the employee's net pay prior to the accident or injury. Net pay is defined as gross pay minus federal, state, and city withholding tax and Social Security. OSC will calculate the supplement payment based on the information supplied on the supplemental form submitted by the agency and the biweekly benefit rate submitted by SIF.

SIF will notify the agency as to when it is ready to start issuing its award payment. Once SIF and the agency agree on a specified pay date, both will notify OSC of the payment. SIF will submit to OSC a transaction which contains the information for the award payment which is processed by SIF. The agency must submit a PR-75 form to remove the employee from the regular payroll and an AC2753 supplement form to place the employee on the supplemental payroll. OSC will issue a separate payroll register and summary listing to each agency that has Workers' Compensation Supplemental Payments. After the employee's return to work, the employee will continue to receive payment from the supplemental payroll until full payment is made for the period of time equaling the length of time he or she was kept on the regular payroll using leave time during injury.

The result is that an employee will be off the regular payroll and receive the award and supplement benefit for the exact number of days they were absent from work. If the employee has returned to work from disability, he or she may receive additional salary payments such as OT or HOL PAY on the regular payroll while receiving supplemental payments.

When the final payment is due for award and supplement, a PR-75 and AC2753 must again be submitted to OSC by the agency to reinstate the employee to the regular payroll and to delete the employee from the supplemental payroll.

An initial supply of these forms is being sent by OSC to each agency.

To order additional forms, AC2753A and AC2753 when needed, you must complete the AC-1136 - State of New York - Forms Order and forward to:

Office of the State Comptroller
Governor Smith State Office Building
Albany, New York 12236

Attention: Stock Control

Please limit orders for each form to the number needed for no more than six months.

II. REQUIRED FORMS

A. FILING REQUIREMENTS

The following forms are required by the Office of the State Comptroller for processing Supplemental Transactions:

1. PR-75 PAYROLL AND PERSONNEL TRANSACTION FORM
2. AC-1040 PAYROLL DEDUCTION FORM
3. AC2753A TRANSMITTAL FOR WORKERS' COMPENSATION SUPPLEMENTAL FORMS
4. AC2753 WORKERS' COMPENSATION SUPPLEMENTAL PAYMENT FORM

The agency must file a PR-75 form with OSC to take an employee off the regular payroll and must file a second PR-75 to place the employee back on the payroll. An AC-1040 must be filed when changing the employee's tax information or address while "ON WCB" leave on the regular payroll.

In addition, an AC-2753 form must be filed by the agency to OSC to add, change or delete the employee on the Workers' Compensation Supplemental Payroll. An AC-2753A Transmittal must be provided with an AC-2753 for certification.

1. WK COMP LV/SUPPLEMENT ADD

When State Insurance Fund is ready to start issuing its award payment SIF will contact the agencies to determine the payroll period in which the first check will be issued. SIF will then issue its payment check on the pay date specified and submit the Award transaction for the designated period to OSC to pay the supplement. To pay the supplement, the agency must file a PR-75 using transaction code WK COMP LV to take the employee off regular payroll. In addition, an AC-2753 supplemental form must be filed by the agency to OSC to place the employee on the Workers' Compensation Supplemental Payroll. Transaction code ADD is used. An AC-2753A Transmittal form must be submitted whenever a supplemental form is processed.

2. ONGOING PAYMENTS

No forms are required for subsequent payments until the last payment is due. OSC will automatically process payments as long as SIF continues its payments.

3. REIN WC LV/SUPPLEMENT DEL

When the final payment is due, an AC-2753 must be submitted by the agency to OSC to remove the employee from the supplemental payroll. Transaction code DEL is used. In addition, the agency must file a PR-75 using transaction code REIN WC LV to place the employee back on the regular payroll.

4. REM APPT/SUPPLEMENT ADD & DEL

When less than 11 days are due for Workers' Compensation supplement, a PR-75 must be submitted using transaction code REM APPT. The employee will not be removed from the regular payroll. A supplement form is required using transaction code ADD. Another supplemental form must be submitted the following period to remove the employee from the supplemental payroll. Use transaction code DEL.

II. REQUIRED FORMS

A. FILING REQUIREMENTS (CONTINUED)

5. CHG NAME, CORRECT SS/SUPPLEMENT CHG

When an employee is "ON WCB" leave on the regular payroll and has a name change or social security number change, a PR-75 as well as a supplemental form is required by OSC from the agencies. Transaction code CHG is used on AC-2753.

6. CHG ADDRESS, CHG TAXES/SUPPLEMENT CHG

When an employee is "ON WCB" leave on the regular payroll and has a change of address or change in tax exemption, an AC-1040 as well as a supplemental form is required by OSC from the agency. Transaction code CHG is used on AC-2753.

7. CONTROVERTED/CONTESTED CASES

In most cases a Workers' Compensation Supplemental Payment Form - AC-2753 must be submitted whenever the transaction code WK COMP LV or REIN WC LV is processed on a PR-75. The exception exists when a claim is controverted or contested by SIF and the employee does not have leave credits to cover any part of the absence and is removed from the regular payroll during the period of injury. In this case, if the controverted claim is resolved in favor of the employee, a PR-75 is not required to remove the employee from the regular payroll. The agency is only required to submit an AC-2753 to process the supplemental payment. The Normal Gross on the supplemental form should be the employee's salary at the time of injury. An AC-2753 is required following the period of payment to remove the employee from the supplemental payroll with the transaction code DEL.

II. REQUIRED FORMS

B. REGULAR PAYROLL

1. PR-75 PREPARATION

- a. WK COMP LV - Workers' Compensation leave without pay.
This code is used to remove the employee from the regular payroll for payment on the workers' compensation supplemental payroll.

Group 2
Class P

Block Requirements:

- Complete blocks 01 through 06 and the following:
- 07 Transaction Code - enter WK COMP LV
- 12 Trans Effective Date - enter the beginning date of payroll period
- 23 Gross (Add) - if applicable
- 24 Normal (Deduct) - if applicable

Remarks - use when necessary to further explain the transaction.

NOTE

This transaction places the employee "ON WCB" status on the payroll register.

- b. REIN WC LV - Reinstatement from Workers' Compensation Leave.
This code is used to restore the employee to the regular payroll when final payment is processed on the workers' compensation supplemental payroll.

Group 1
Class P

Block Requirements:

- Complete blocks 01 through 06 and the following:
- 07 Transaction Code - enter REIN WC LV
- 08 Line Changed To - if applicable
- 12 Trans Effective Date - enter the date the employee is returned to the regular payroll
- 13 Title Code & Title
- 14 Jur. Class
- 15 Salary Grade
- 16 Negotiating Unit
- 18 Appointment Code
- 20 Trans Good Thru Date - if applicable
- 21 Pay Basis Code
- 22 Salary Rate
- 23 Gross (Add)
- 25 Part-Time % - if applicable
- 26 Time Paid
- 27 Increment Code - if applicable
- 28 Paid Thru (HRY,DLY) - ending date for services

Remarks - use when necessary to further explain the transaction.

NOTE

Any additional salary factors which the employee is eligible to receive are reported in Blocks 29 through 33.

II. REQUIRED FORMS

B. REGULAR PAYROLL (CONTINUED)

1. c. REM APPT - Remove, appoint,
This code is used when less than 11 days are paid
for Workers' Compensation Benefit.

Group 1
Class P

Block Requirements:

Complete blocks 01 through 06 and the following:

07 Transaction Code - enter REM APPT

Complete the blocks required for the appropriate
appointment transaction code, and

49 Misc Block A - enter effective date of WK COMP LV

50 Misc Block B - enter WK COMP LV

51 Misc Block C - enter effective date of REIN WC LV

52 Misc Block D - enter REIN WC LV

Remarks-use when necessary to further explain the
transaction.

NOTE

The employee remains on the regular payroll for this type
of Supplemental Payment.

- d. CHG NAME - Change of name.
Report this transaction when the employee
appears on the regular payroll "ON WCB"
status and has a change of name.
- e. CORRECT SS - Correct social security number.
Report this transaction when the employee
appears on the regular payroll "ON WCB"
status and has a change of social security
number.
- f. HOL PAY, OT, ETC. - Miscellaneous Transaction Codes
Report these transactions for an
employee who has returned to work
since disability, is receiving
supplemental payment, and is
entitled to receive additional
salary payments. Submit the proper
Group 3 transaction code and block
requirements based on the additional
salary earned.

II. REQUIRED FORMS

B. REGULAR PAYROLL (CONTINUED)

2. AC-1040 PREPARATION

- a. TAX CHANGE - This transaction is required for changing the employee's tax information while receiving supplemental payments.

Block Requirements:

Complete blocks 001-005, 012 and Section 5.

- b. ADDRESS CHANGE - This transaction is required for changing the employee's address while receiving supplemental payments.

Block Requirements:

Complete blocks 001-012.

II. REQUIRED FORMS

C. SUPPLEMENTAL PAYROLL

1. AC-2753 PREPARATION

- a. SUPPLEMENT ADD - This code is used to ADD the employee to the supplemental payroll for Workers' Compensation payment.

Block Requirements:

Complete blocks 01 through 27.

- b. SUPPLEMENTAL CHG - This code is used to CHG the employee's name, social security number, address, or tax status on the supplemental payroll for Workers' Compensation payment.

Block Requirements:

Complete blocks 01 through 07 and the following:

- | | |
|------------------------------|------------------------------------|
| 10-24 Tax Information | - enter new tax information |
| 28-30 Address Change | - enter new address information |
| 31 Soc. Sec. No. Change | - enter new social security number |
| 32-34 Employee's Name Change | - enter new name |

- c. SUPPLEMENTAL DEL - This code is used to DEL the employee from the supplemental payroll when the final payment is made for Workers' Compensation.

Block Requirements:

Complete Blocks 01 through 07 and the following:

- | | |
|---------------------------|--|
| 25 Eff. Dates Suppl. From | - enter the first date of final payment, if applicable |
| 26 Eff. Dates Suppl. To | - enter the last date of final payment, if applicable |
| 27 No. Days Suppl. | - enter the number of days of final payment, if applicable |

II. REQUIRED FORMS

C. SUPPLEMENTAL PAYROLL (CONTINUED)

2. AC-2753A BLOCK DESCRIPTIONS

TRANSMITTAL FOR WORKERS' COMPENSATION SUPPLEMENTAL FORMS

Transmittal Form AC-2753A is used by agencies to transmit Workers' Compensation Supplemental forms to the Office of the State Comptroller. The original should be attached to the batch of original AC-2753 forms upon submission to the Office of the State Comptroller.

The purpose of this form is to provide for control of the number of AC-2753 forms submitted and certification by the agency.

- | | |
|---|--|
| BLOCK 01
AGENCY CODE & PAYROLL AGENCY | - Enter the payroll agency's code and the agency's name. |
| BLOCK 02
PERIOD NO. | - Enter the number of the current period. |
| BLOCK 03,
NUMBER OF AC-2753
FORMS SUBMITTED | - Enter the number of AC-2753 forms being submitted. |
| AGENCY TRANSACTION CERTIFICATION | - This must contain the signature and title of an employee authorized by the head of the department to approve payroll transactions. |

AC 2753A (1/86)
20

State of New York
OFFICE OF THE STATE COMPTROLLER

TRANSMITTAL FOR WORKERS' COMPENSATION SUPPLEMENTAL FORMS AC 2753

01 AGENCY CODE	PAYROLL AGENCY	02 PER NO.
----------------	----------------	------------

GENERAL INSTRUCTION

Number all AC 2753 forms in sequence (Block 99 - Reference Number) starting with number one.
There is no requirement for the forms to be in line number order.

NUMBER OF AC 2753 FORMS SUBMITTED	03	
-----------------------------------	----	--

AGENCY TRANSACTION CERTIFICATION

This is to certify that the personnel transactions on the attached forms AC 2753 as listed above for the payroll period being reported are approved.

Signature _____ Title _____ Date _____

II. REQUIRED FORMS

C. SUPPLEMENTAL PAYROLL (CONTINUED)

3. AC-2753 BLOCK DESCRIPTIONS

WORKERS' COMPENSATION SUPPLEMENTAL PAYMENT FORM

The purpose of Form AC-2753 is to supply the Office of the State Comptroller certain payroll information necessary to process a Workers' Compensation Supplemental Payment. This form is used by agencies to either place an employee on the Supplemental Payroll or remove an employee from this payroll. Form AC-2753 should also be submitted for employees appearing on the Supplemental payroll who have a change in Social Security Number, Name, Taxes or Address.

The original forms should be sorted into Reference-Number order and submitted to the Office of the State Comptroller with the Transmittal Form AC-2753A.

Blocks 01 to 07, containing the basic identifying information, must be completed on each AC-2753. The remaining blocks on the form are completed based on the transaction code.

- | | |
|--|---|
| BLOCK 01,
AGENCY CODE | - Enter the payroll agency's code |
| BLOCK 02,
PER NO. | - Enter the number of the current payroll period. |
| BLOCK 03,
LINE NO. | - Enter the line item number the employee is in on the regular payroll. |
| BLOCK 04,
SOC. SEC. NO. | - Enter the employee's social security number. |
| BLOCK 05,
EMPLOYEE'S FIRST NAME | - Enter the employee's first name. |
| BLOCK 06,
EMPLOYEE'S MIDDLE NAME | - Enter the employee's middle initial. |
| BLOCK 07,
EMPLOYEE'S LAST/SUFFIX NAME | - Enter the employee's last name and suffix, if any. |
| PAY BASIS CODE | - Complete only if HRY or DLY. |
| ATTENDANCE RULES COVERAGE | - Check YES or NO only for Pay Basis Code HRY or DLY. Employees are eligible for a supplemental payment only if they accrue credits under the Attendance Rules. |

II. REQUIRED FORMSC. SUPPLEMENTAL PAYROLL (CONTINUED)

3. AC-2753 BLOCK DESCRIPTIONS

BLOCK 08
NORMAL GROSS

- For Annualized Pay Basis Codes, enter the Normal Gross appearing on the last payroll register. For HRY or DLY Pay Basis Codes who qualify under Attendance Rules Coverage, enter the calculation of Normal Biweekly Gross by using the following methods:
 1. Full-Time Employees (scheduled to work 75 or 80 hours in pay period)
 - HRY a. Multiply hourly rate by number of hours in pay period (75 or 80).
 - DLY b. Multiply per diem rate by number of days in pay period (10).
 2. Part-Time Employees (scheduled to work less than 75 or 80 hours in pay period)
 - a. Calculate a full-time salary as in 1. above using a. or b. regardless of actual schedule;
 - and
 - b. Multiply the full-time salary by percent of full-time scheduled to work in pay period when absence first occurred.

BLOCK 09,
NOR. DAYS WKD.

- For Annualized Pay Basis Codes, enter the Normal Number of Days Worked.
- For HRY or DLY Pay Basis Codes, enter 10 for Full-Time Employees. For Part-Time Employees enter the number of days which correspond to the Normal Gross calculation.

NOTE: This information is used to report retirement service credit. It is always reported on a 10 day basis, regardless of the employee's pay basis code. It would be identical to the Retirement Service Credit reported on the previous payroll if the employee received his or her Normal Gross Salary.

BLOCKS 10-11,
MARITAL STATUS

- Enter the Marital Status which applies for the Supplemental Payment.

BLOCKS 12-24,
TAX EXEMPTIONS

- Enter the Tax Information from the last payroll register or if employee elects to change exemptions, enter this information upon W4 notification.

State of New York
OFFICE OF THE STATE COMPTROLLER

WORKERS' COMPENSATION SUPPLEMENTAL PAYMENT FORM

AGENCY CODE 01 _____
 PER. NO. 02 _____
 LINE NO. 03 _____
 SOC. SEC. NO. 04 _____
 EMPLOYEE'S NAME
 FIRST 05 _____
 MIDDLE 06 _____
 LAST/SUFFIX 07 _____
 PAY BASIS CODE _____ (Complete if HRY or DLY)
 ATTENDANCE RULES COVERAGE Yes No
 NORMAL GROSS 08 _____
 NOR. DAYS WKD. 09 _____

TRANSACTION CODES
 ADD
 (Taxes, Address, Soc. Sec. No., Name) CHG
 (Complete Blocks 01-07, 25-27) DEL
 DATE OF ACCIDENT _____
 LATE REPORTING
 EFF. DATES SUPPL. - 1ST/LST. PMT.
 FROM 25 _____
 TO 26 _____
 NO. DAYS SUPPL.-1ST/LST. PMT. 27 _____

MARITAL STATUS
 FEDERAL 10 _____
 STATE 11 _____
 TAX EXEMPTIONS
 FEDERAL PLUS 12 _____
 MINUS 13 _____
 EXEMPT/NO TAX 14 _____
 STATE PLUS 15 _____
 MINUS 16 _____
 EXEMPT/NO TAX 17 _____
 NYC RES. PLUS 18 _____
 MINUS 19 _____
 NYC NON RES. % 20 _____
 YKRS. RES. PLUS 21 _____
 MINUS 22 _____
 EXEMPT/NO TAX 23 _____
 YKRS. NON RES. % 24 _____

ADDRESS CHANGE (Only if different from Employee's Record.)
 NUM. & STR. 28 _____
 CITY & STATE 29 _____
 ZIP CODE 30 _____
 SOC. SEC. NO. CHANGE 31 _____
 EMPLOYEE'S NAME CHANGE
 FIRST 32 _____
 MIDDLE 33 _____
 LAST/SUFFIX 34 _____

REMARKS

III PAYMENT

A. CALCULATION OF SUPPLEMENT

1. BIWEEKLY SUPPLEMENT

The Biweekly Supplement is the amount needed to bring the employee's total payments (award plus supplement) to Pre-Disability Biweekly Net Pay. Pre-Disability Net Pay is defined as gross salary minus Federal, State, City and Social Security taxes.

The Biweekly Supplement will be calculated automatically, using the following method.

a. Pre-Disability Biweekly Net

Normal Gross - Federal Tax - State Tax -
City tax - Social Security = Pre-Disability Biweekly Net
(Taxes are computed using the status and exemptions reported on the AC-2753.)

b. Net Biweekly Supplement

Pre-Disability Biweekly Net - SIF Biweekly Award = Net Biweekly Supplement (The SIF Biweekly Award will be provided to OSC by SIF.)

c. Gross Biweekly Supplement

Since the Supplement is subject to withholding and social security taxes, the Net Biweekly Supplement must be increased by the amounts to be paid in taxes. This calculation is as follows:

1. Normal Federal Tax \div Normal Biweekly Gross = Federal Tax Percentage
Normal State Tax \div Normal Biweekly Gross = State Tax Percentage
Normal City Tax \div Normal Biweekly Gross = City Tax Percentage
Social Security Tax Rate = SS Tax Percentage
Total = Total Tax Percentage
2. 100.00% - Total Tax Percentage = Non-Taxable Percentage
3. Net Biweekly Supplement \div Non-Taxable Percentage = Gross Biweekly Supplement

(The "Normal" Tax Amounts are the amounts calculated in step a above.)

d. Calculation of Withholding Taxes on Supplement

The actual Withholding Taxes on the supplement payment are computed as follows:

Gross Biweekly Supplement X Tax Percentage Rate = Amount of
Withholding Tax

(The tax percentage rate for each tax is the rate calculated for each tax in step c.1 above.)

III PAYMENTA. CALCULATION OF SUPPLEMENT (CONTINUED)

EXAMPLE OF CALCULATION

Employee with Normal Gross of 673.64,
 Federal - Single/1
 State - Single/0
 SS coverage

- a. Calculation of Pre-Disability Biweekly Net
- | | |
|-----------------|------------------------------------|
| Normal Gross | 673.64 |
| Federal Tax | -94.30 |
| State Tax | -35.20 |
| Social Security | <u>-48.17</u> |
| | 495.97 Pre-Disability Biweekly Net |
- b. Calculation of Net Biweekly Supplement
- | | |
|--------------------|-------------------------------|
| Pre-Disability Net | 495.97 |
| SIF Biweekly Award | <u>-444.60</u> |
| | 51.37 Net Biweekly Supplement |
- c. Calculation of Gross Biweekly Supplement
1. Calculate Tax Percentages
- | | |
|-------------------------------|----------------------|
| $94.30 \div 673.64 = 14.00\%$ | Federal |
| $35.20 \div 673.64 = 5.23\%$ | State |
| <u>7.15%</u> | Social Security Rate |
| <u>26.38</u> | |
2. $100.00\% - 26.38\% = 73.62\%$ Non Taxable Percentage
3. $51.37 \div 73.62\% = 69.78$ Gross Biweekly Supplement
- d. Calculate taxes for Gross Biweekly Supplement using the percentages described above.
- | | |
|--------------|---|
| 69.78 | Gross Biweekly Supplement |
| -9.77 | Federal (14%) |
| -3.65 | State (5.23%) |
| <u>-4.99</u> | Social Security (7.15%) |
| 51.37 | Net Biweekly Supplement (Equal to amount calculated in step b. above) |

III PAYMENTA. CALCULATION OF SUPPLEMENT (CONTINUED)

2. OTHER THAN 10 DAYS

The supplement is always calculated on a biweekly basis using the employee's Normal Gross Salary and the Biweekly SIF Award and adjusted as follows when payments for other than 10 days are being made.

(a) Less than 10 days.

1/10 of gross biweekly supplement X no. of days

With above example
for 8 days

$$\frac{69.78}{10} = 6.97 \times 8 = 55.76$$

(b) More than 10 days

$\frac{\text{No. of days}}{10} = \text{No. of Full Gross Biweekly Supplements plus number of days}$

With above example
for 25 days

$$\frac{25}{10} = 2 \text{ biweeklies plus 5 days.}$$

$$\begin{array}{r} 69.78 \\ \underline{\quad \times 2} \\ 139.56 \\ +34.85 \\ \hline 174.41 = 25 \text{ day payment} \end{array}$$

III PAYMENT

B. RETIREMENT CREDIT AND DEDUCTIONS

Employees on Workers' Compensation will continue to receive retirement service and salary credit as if they continued in regular pay status. For employees who are contributing to a retirement system, the normal contribution will be the amount they would have contributed if receiving their normal salary, instead of the award and supplement. The amounts will be calculated and reported to the retirement system as follows:

1. Normal Contribution

Retirement Rate X Regular Gross Salary which would be paid
for the Number of Days of Supplement = Retirement Normal
Contribution

2. Reporting of Service and Salary

a. Service Credit

The number of service credit days will be the number the employee would have received had they been on the regular payroll for the number of days of supplement payment. It is computed using the Normal Number of Days reported on the AC-2753 and the number of days of supplement paid.

For example

1. The normal number of days for a full-time employee is 10. For a supplement payment for 10 days, the employee will receive 10 days service credit. For a supplement payment of 7 days, the employee will receive 7 days service credit.
2. The normal number of days for an employee working $\frac{1}{2}$ time is 5. For a supplement payment for 10 days, the employee will receive 5 days service credit. For a supplement payment of 5 days, the employee will receive 2.5 days service credit.

b. Salary

The salary reported to the retirement system will be the Regular Gross Salary which would have been paid for the number of days of supplement payment.

III PAYMENT

C. DEDUCTIONS FROM SUPPLEMENT PAYMENT

In addition to taxes, social security and retirement the following deductions will be taken from the supplement check.

Dues or Agency Shop (codes 201,212,233,247,224,230)
Health Insurance
Health Insurance Adjustments
Involuntary Deductions (Garnishees, Court Orders, Federal Levys)
Social Security Adjustments

If, after percentage deductions are taken, the employee's gross salary is insufficient to cover all fixed deductions (negative net), the deductions will be cancelled in the following order:

1. Dues/Agency Shop
2. Health Insurance Adjustments
3. Health Insurance
4. Garnishee
5. Wage Assignment
6. Wage Earners
7. Court Orders
8. Social Security Adjustments
9. Retirement Contributions

Because the Retirement Normal Contributions is based on Regular Gross salary, it is possible for the deduction to exceed the net supplement. If a Retirement Normal Contribution causes a negative net, we will take a partial retirement deduction and issue a supplement check for \$1.00 to the employee.

If it is necessary to cancel any of these deductions because of negative net salary, it will be reported on a PAL-5A "Workers' Compensation Payroll Production Control Listing".

III PAYMENT

D. REPORTING

Agencies will receive the following reports for employees who have been placed on Workers' Compensation Leave and are receiving Supplemental Checks:

1. Salary Register - Workers' Compensation Supplemental Payroll:
The agency code and line number are the same as the normal payroll for an employee. Listed below is a description of new fields or changes which have been added.
 - a. SIF Claim Number & SIF Unit Number - These numbers are assigned by SIF for each specific claim reported.
 - b. Period Covered - Actual dates this supplemental payment represents.
 - c. No. of Days - Days paid for supplement this period.
 - d. Normal Gross - Amount reported on Form AC-2753 as Normal Gross used to calculate the supplement payment.
 - e. Biweekly Gross - Actual Gross Supplement before deductions.

If a SIF Award Payment is equal to or greater than the Pre-Disability Net, a Supplemental Check will not be issued. "ZERO GROSS" will print on the salary register.

Since employees are entitled to full retirement service and salary when on Work Comp Lv, Retirement Days will be reported on the register even if ZERO GROSS appears.

2. PRG-1A Workers' Compensation Supplemental Payroll YTD Summary Register -
The summary is the same format as the current payroll summary. The difference is the title of the report, and the YTD figures are for Supplement payments only.
3. Check Stub - Workers' Compensation Supplement

The employee's check stub is the same format as the regular check stub with the following exceptions:

- a. Base Pay - The amount reported on Form AC-2753 as Normal Gross used to calculate the supplement payment.
- b. Gross Pay - Actual Gross Biweekly Supplement before deductions.
- c. YTD Fields - Total Year-To-Date amounts received for supplement payments.

SIF Claim Number & SIF Unit Number - These numbers are assigned by SIF for each specific claim reported.

Actual Dates Covered - Dates this supplemental payment represents.

III PAYMENT

E. APPROPRIATION CHARGES

1. Workers' Compensation Payrolls

All payments on the Workers' Compensation Supplement Payrolls will initially be charged to the Workers' Compensation Escrow Account. You will receive a PRG-3B Workers' Compensation Supplement Charge Register for each supplement payroll. The expenditure code for all supplement payrolls will be

<u>Dept</u>	<u>Cost Center</u>	<u>Variable</u>	<u>Year</u>	<u>Object</u>
02	511661	55	99	46999

2. Monthly Agency Charges

The Division of the Budget has determined that agency appropriations will be charged monthly for the amount of salary that would have been paid to each employee on Workers' Compensation if the employee had remained on the agency payroll in regular pay status.

OSC will accumulate monthly totals of this salary (using the employee's Normal Gross and Number of days of Supplement Paid). Each month, after the last regular pay date of the month, OSC will create transactions to charge agency appropriations. We will use the regular Payroll Header file to identify the appropriations, since the line number on the supplement payroll is the same as the line number on the regular payroll.

You will receive a PRG-19 Monthly Workers' Compensation Charge Register listing the charges by appropriation. For each appropriation charge, the report will show employees paid on the Workers' Compensation Supplement Payroll during the month and their computed gross salary for the month.

IV CHANGES IN REGULAR PAYROLL SYSTEM

A. WORKERS' COMPENSATION LEAVE ON REGULAR PAYROLL

When an employee is placed on Workers' Compensation Leave (WK COMP LV) on the Regular Payroll, he or she appears on the Salary Register "ON WCB" status. This leave status is treated differently from regular leaves for deduction retention.

B. RETENTION OF DEDUCTIONS FOR EMPLOYEES ON WORKERS' COMPENSATION LEAVE

When a PR-75 is submitted for WK COMP LV all deductions with the exception of the insurances listed below will be retained in the employee's master record:

306	CSEA Supplemental Life
307	CSEA Accident & Health
308	Equitable Life
312	Salary Savings, John Hancock Mutual Life
318	New York Life Insurance
324	CSEA Travelers; Auto/Home
344	PEF Disability
345	PEF Life
346	PEF Automobile
349	PEF Home
354	PEF Whole Life Insurance
358	CSEA Perm Life

If a PR-75 is being submitted for REIN WC LV and the employee has not been off the payroll for more than four consecutive payroll periods, submit an AC-1040 to re-start the employee insurance. If the employee has been off the regular payroll more than four payroll periods he or she should contact their employee organization if they wish to have the deduction re-started.

Deductions which are retained in the employee's master will not have to be re-started on an AC-1040 when the employee returns to the main payroll.

If you receive any changes to deductions while the employee is on WK COMP LV, other than the insurances which are not retained, submit an AC-1040 in the normal manner with your regular payroll. The employee's record will be updated with the new deduction or change to be deducted when he or she is restored to the main payroll.

C. DEDUCTIONS FROM PAYMENTS MADE ON BOTH REGULAR AND SUPPLEMENT PAYROLL IN THE SAME PAYROLL PERIOD

If a PR-75 is submitted with REM APPT or REIN WC LV and the employee is receiving partial salary, all deductions present in the employee's master record will be deducted if the gross is sufficient. When this situation occurs, deductions for Dues/Agency Shop, Health Insurance, Health Insurance Adjustments, or Social Security Adjustments will only be deducted from the Supplement check if there were insufficient funds to take the deduction on the Main Payroll. All percentage deductions will be deducted from both the main and supplement payroll.

IV CHANGES IN REGULAR PAYROLL SYSTEM

C. DEDUCTIONS FROM PAYMENTS MADE ON BOTH REGULAR AND SUPPLEMENT PAYROLL IN THE SAME PAYROLL PERIOD (CONTINUED)

If an employee is on WK COMP LV and receiving supplement checks but has actually returned to work and a PR-75 is submitted for OT, HOL PAY or any type of adjustment, the following deductions only will be taken from the regular payment, if the gross is sufficient.

- Taxes
- Social Security
- Social Security Adjustments
- Dues/Agency Shop
- Health Insurance
- Health Insurance Adjustments
- Involuntary Deductions
- Retirement Normal Contributions

Only percentage deductions and any other deduction listed above which could not be taken from the regular payment because of insufficient gross salary will be deducted from the supplement check.

V EXAMPLES OF CALCULATIONS

A. 10 DAYS SUPPLEMENT

The numbered fields are explained on page 14 of this Bulletin.

SAMPLE CALCULATION OF GROSS SUPPLEMENT AND NET CHECK

Employee being paid 10 days Supplement

Exemptions - Federal - Single 1/State - Single 0, SS coverage, ERS, Tier 3.

Normal Gross	673.64	495.97	Pre-Disability Biweekly Net
Federal Tax	-94.30	-444.60	SIF Biweekly Award
State Tax	-35.20	(b.) 51.37	Net Biweekly Supplement
Social Security	-48.17		
	(a.) 495.97	=	Pre-Disability Biweekly Net

Federal Tax	94.30 ÷ 673.64	Normal Gross =	14.00%	100.00%
State Tax	35.20 ÷ 673.64	Normal Gross =	5.23%	-26.38%
Social Security Tax		Tax Rate =	7.15% (c.2)	73.62% Non-Taxable
		(c.1)	26.38%	Percentage Rate

51.37 Net Supplement Due ÷ 73.62% (c.3) 69.78 Gross Biweekly Supplement

(d)	{	-9.77	Federal Tax = 14.00% of Actual Gross
		-3.65	State Tax = 5.23% of Actual Gross
		-4.99	Soc. Sec. Tax = 7.15% of Actual Gross
		51.37	Net Supplement Due
		-20.20	Retirement Normal=3% of Normal Gross
		- 3.47	Health Insurance
		- 5.82	CSEA Dues
		21.88	Net Supplement Check

V EXAMPLES OF CALCULATIONS

B. 5 DAYS SUPPLEMENT

SAMPLE CALCULATION OF GROSS SUPPLEMENT AND NET CHECK

Employee being paid 5 days Supplement.

Exemptions - Federal - Married Minus 2/State - Single 1/NYC
Resident - Single 1, SS Coverage, ERS, Tier 3

Normal Gross	638.05	461.83	Pre-Disability Biweekly Net
Federal Tax	-90.69	-421.11	SIF Biweekly Award
State Tax	-29.03	(b.) 40.72	Net Biweekly Supplement
NYC Tax	-10.88		
Soc.Sec.Tax	-45.62		
(a.)	461.83	=	Pre-Disability Biweekly Net

Federal Tax	90.69 ÷ 638.05	Normal Gross = 14.21%	100.00%
State Tax	29.03 ÷ 638.05	Normal Gross = 4.55%	-27.62%
NYC Tax	10.88 ÷ 638.05	Normal Gross = 1.71%	(c.2) 72.38%
Soc.Sec.Tax		Tax Rate = 7.15%	Non-Taxable
		(c.1.) 27.62%	Percentage
			Rate

40.72 Net Supplement Due ÷ 72.38% (c.3.) = 56.25 Gross Biweekly Supplement
5.62 Daily Rate
x5 Days

(2.a.)	28.10	Actual Gross Supplement
(d.)	-3.99	Federal Tax=14.21% of Actual Gross
	-1.28	State Tax = 4.55% of Actual Gross
	-.48	NYC Res.Tax= 1.71% of Actual Gross
	-2.01	Soc.Sec.Tax= 7.15% of Actual Gross
	20.34	Net Supplement Due
	-9.57	Retirement Normal = 3% of 5 Day Normal Gross
	-3.47	Health Insurance
	-5.82	CSEA Dues
	1.48	Net Supplement Check

V EXAMPLES OF CALCULATIONS

C. 25 DAYS SUPPLEMENT

SAMPLE CALCULATION OF GROSS SUPPLEMENT AND NET CHECK

Controverted Case - Employee was on LWOP for 25 days.
Employee being paid 25 days Supplement
and also remains on normal payroll.

Exemptions - Federal - Single Minus 2/State-Single Minus 3/NYC
Res-Single Minus 2, SS Coverage, ERS, Tier 3

Normal Gross	568.09		388.78 Pre-Disability Biweekly Net
Federal Tax	-99.06		-374.93 SIF Biweekly Award
State Tax	-27.91	(b.)	13.85 Net Biweekly Supplement
NYC Res.Tax	-11.72		
Soc.Sec.Tax	-40.62		
(a.)	388.78	=	Pre-Disability Biweekly Net

Federal Tax	99.06 ÷ 568.09	Normal Gross	= 17.44%	100.00%
State Tax	27.91 ÷ 568.09	Normal Gross	= 4.91%	-31.56%
NYC Tax	11.72 ÷ 568.09	Normal Gross	= 2.06%	(c.2.) 68.44%
Soc.Sec.Tax		Tax Rate	= 7.15%	Non-Taxable
		(c.1.)	31.56%	Percentage
				Rate

13.85 Net Supplement Due ÷ 68.44% (c.3.)=20.24 = Gross Biweekly Supplement

2.02 Daily Rate		<u>40.48</u>	= 20 Days
<u>\$10.10</u>		+10.10	5 Days
(2.b.)		\$50.58	Actual Gross Supplement-25 Days
(d.)		-8.82	Federal Tax=17.44% of Actual Gross
		-2.48	State Tax = 4.91% of Actual Gross
		-1.04	NYC Res.Tax= 2.06% of Actual Gross
		-3.62	Soc.Sec.Tax= 7.15% of Actual Gross
		<u>34.62</u>	Net Supplement Due
		<u>33.62</u>	Retirement Normal - (See Note)
		1.00	Net Supplement Check

NOTE: 568.09 - 10 days	56.80 daily rate
<u>x2</u>	<u>x5</u>
\$1136.18 - 20 days	284.00
	<u>1136.18</u>
	1420.18 = 25 days
	<u>x.03</u> = ERS Tier 3
	42.61 Retirement Normal

Only \$34.62 is available for Retirement Contributions. We will deduct \$33.62 and issue a check to the employee for \$1.00. The retirement system will notify the agency to deduct \$8.99 for Retirement Arrears.

Dues and Health Insurance will be taken from normal payroll.