



Leave Reporting to MOSERS

Objectives Today:

- Learn when and when not to report a leave of absence to MOSERS
- Make your life a little easier (hopefully a little less paperwork)

Leave Reporting to MOSERS

- The MOSERS retirement plan is a “defined benefit” plan
- Benefits are determined by a set formula
- The member’s service and average salary are two major components of the formula
- Payroll and service go hand in hand together

Leave Reporting to MOSERS

- Every period of service must have a corresponding payroll
- The purpose of the leave form is to account for service periods where there is no payroll
- The leave form tells MOSERS you have an employee who is still employed but is temporarily not receiving payroll



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For our discussion today, we're going to look at leaves in three separate categories:

1. Leave due to illness/injury of the EMPLOYEE (this would include leaves for Worker's Comp)
2. Military service leaves
3. All other leaves, for example:
 - Layoff leaves
 - Suspensions
 - FMLA (time off for family members)
 - Unpaid time off



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Other leaves(for something other than employee illness or military service)

You only need to report these leaves to MOSERS if the employee is going to miss an entire payroll cycle:

- Semi-monthly payroll cycle for SAMII agencies
- Entire calendar month for non-SAMII payrolls



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Other leaves(for something other than employee illness or military service)

*Situation One: Employee John Doe misses a few days of payroll during the month, but does NOT miss an entire payroll cycle. He will receive some payroll in both semi-monthly payroll cycles. You do NOT need to report these leave situations to MOSERS.**

***The exception would be in a case where an employee has been placed on suspension**



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Other leaves(for something other than employee illness or military service)

Situation Two: Employee John Doe misses an entire half-month of service during the month and misses an entire semi-monthly payroll cycle. This leave must be reported to MOSERS to account for the service with no corresponding payroll.



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Leaves due to illness/injury of the employee*

- By law, an employee receives full service AND salary credit towards retirement for any time missed (up to 12 months)
- If an employee's payroll will be short because of an illness leave, it should be reported to MOSERS as failure to do so may negatively impact the employee's future retirement benefits

***This only applies to illness/injury of the employee, not for other family members covered by FMLA**



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Why is this important?

- Your employees' retirement benefits are based in part on their final average salary
- If their reported salary is reduced, so is their retirement benefit
- But if we have a leave form stating they were on leave due to the employee's illness, we can give them credit for their full salary



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A real example

We had a member retire July 1, 2014. Her salary as reported gave her a final average salary figure of \$2045.05. Based on this information her benefit would have been calculated as follows:

$$9 \text{ years} \times 0.017 \times \$2045.05 = \$312.89$$



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A real example

However, she had several months throughout her career where she was reported to be on a leave due to illness, and that increased her final average salary to \$2104.81. So her actual benefit was calculated as follows:

$$9 \text{ years} \times 0.017 \times \$2104.81 = \$322.05$$



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A real example

However, she also had several other short payrolls where no leave was reported. IF they were illness leaves as well, her final average salary could have been as high as \$2199.78, making her potential benefit calculation as follows:

$$9 \text{ years} \times 0.017 \times \$2199.78 = \$336.57$$



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Leaves due to illness/injury of the employee

Generally speaking, illness leaves are one of two types:

1. An employee goes out for an extended period of time with a definitive start and stop date
2. An employee continues working during the illness/injury period, but misses time sporadically



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Leaves due to illness/injury of the employee

- For the leaves with definitive start and stop dates, it's straightforward:
 - Report the day they go on leave to MOSERS
 - When they return, report their back-to-work date
- These leaves are limited by law to 12 consecutive months



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Leaves due to illness/injury of the employee

- For the leaves where the employee is working sporadically throughout the pay cycle, it is not necessary to report every single missed day, or portion of a day
 - MOSERS only needs to know that the employee was out for some time during the payroll cycle **if the member's payroll is reduced**
 - However if the employee is not short any payroll (because of shared leave) then it is NOT necessary to report any leave for that payroll cycle
 - It's perfectly acceptable to simply report one day of leave per payroll cycle if the member is in and out and has a short payroll



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Military Service Leaves

- These leaves follow the exact same rules as leaves due to illness
- For regular deployments, simply report the start and stop dates
 - The member may receive service and salary credit for their time off if they meet Federal USERRA guidelines



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Military Service Leaves

- Some employees may have weekend drills that occur during their normal work schedule (such as a Corrections Officer)
- Report these leaves **ONLY IF** the employee will have a short payroll



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For more details on completing a form

Consult the Procedures Manual in your packet today

Or logon to: https://www.mosers.org/Employers/2013-Benefits-U/schedule_2013.aspx

- Scroll down to "Breakout Session 2" under the topic *All Aboard: Leave of Absence/Back to Work* and click on "Download the handout for this session."



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Questions/Comments?


