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Growth ◆ Retention ◆ Integrity ◆ Technology

# Sick Leave Accruals

# Housekeeping

1. You are in listen-only mode.
2. This session is designed to provide 40 minutes of content and 20 minutes of Q&A.
3. Please submit questions via the questions panel. We'll respond to as many as possible during and at the end of the session.

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# Agenda

- Sick leave and employer responsibilities
- Understand Avionté's capabilities
- Best Practices
- Tools to manage your Accrual Plans

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# Paid Sick Leave Updates

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# *July 1, 2017*

- Arizona
- Chicago, IL
- Cook County, IL
- Minneapolis, MN
- St. Paul, MN

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# July 1, 2017 - Arizona

## Fair Wages and Healthy Families Act

- Passed by voters in Nov 2016; 6th state to pass paid sick leave
- Accrue starting day 1; rate of 1 hour of sick time for every 30 hours worked.
- Accrue and use and carry over up to 40 hours/year (for a business with more than 15 employees).
- Max balance of 80 hours (for a business with more than 15 employees).

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For more information: https://www.azica.gov/frequently-asked-questions-about-wage-and-earned-paid-sick-time-laws

# July 1, 2017 - Chicago

## Chicago Minimum Wage and Paid Sick Leave Ordinance

- Employers that maintain a business facility in the city limits or subject to certain city licensing requirements.
- Accrue starting day 1; 1 hour of sick time for every 40 hours worked.
- Accrue and use up to 40 hours per 12-month period (from accrual start date) and can carry over up to 20 hours into next year & 40 *additional* hours for FMLA (if applicable).

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For more information: read the full text, and an overview

# July 1, 2017 – Cook County, IL

**Ordinance No. 16-4229**

- Employee performs 2 hours of work in 2 week period in Cook County.
- If employer has place of business in Cook County
- 1 hour of sick time for every 40 hours worked.
- Accrue and use up to 40 hours/year (for business with more than 15 employees).
- Certain cities in the county (over 30 of them!) have opted out.

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For more information: read the full text, and an overview

# July 1, 2017 – Minneapolis

## Minneapolis Sick and Safe Time

- See FAQ link below regarding applicable employers and the pending lawsuit.
- Accrue starting day 1; 1 hour of sick time for every 30 hours worked.
- Accrue up to 48 hours per year, carried over from year to year, until 80 hour maximum accrual cap is reached.

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For more information: access Employer Resources, including the FAQ

# July 1, 2017 – St. Paul

## St. Paul Earned Sick and Safe Time Ordinance

- Employers that have physical location within St. Paul.
- "Temporary workers supplied by a staffing agency located ***outside*** the City and working for a contracting employer within the City are not subject to ESST."
- Accrue starting day 1; 1 hour of sick time for every 30 hours worked.
- Accrue up to 48 hours per year, carried over from year to year, until 80 hour maximum accrual cap is reached.

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For more information: access Sick Time home, including the rules

# What else to look for

- ✓ Required posters
- ✓ Required employee notification
- ✓ Pay stub requirements
- ✓ Termination & payout rules
- ✓ Recordkeeping requirements
- ✓ Frontloading
- ✓ Usage by employee & what employers can ask for
- ✓ Handbooks

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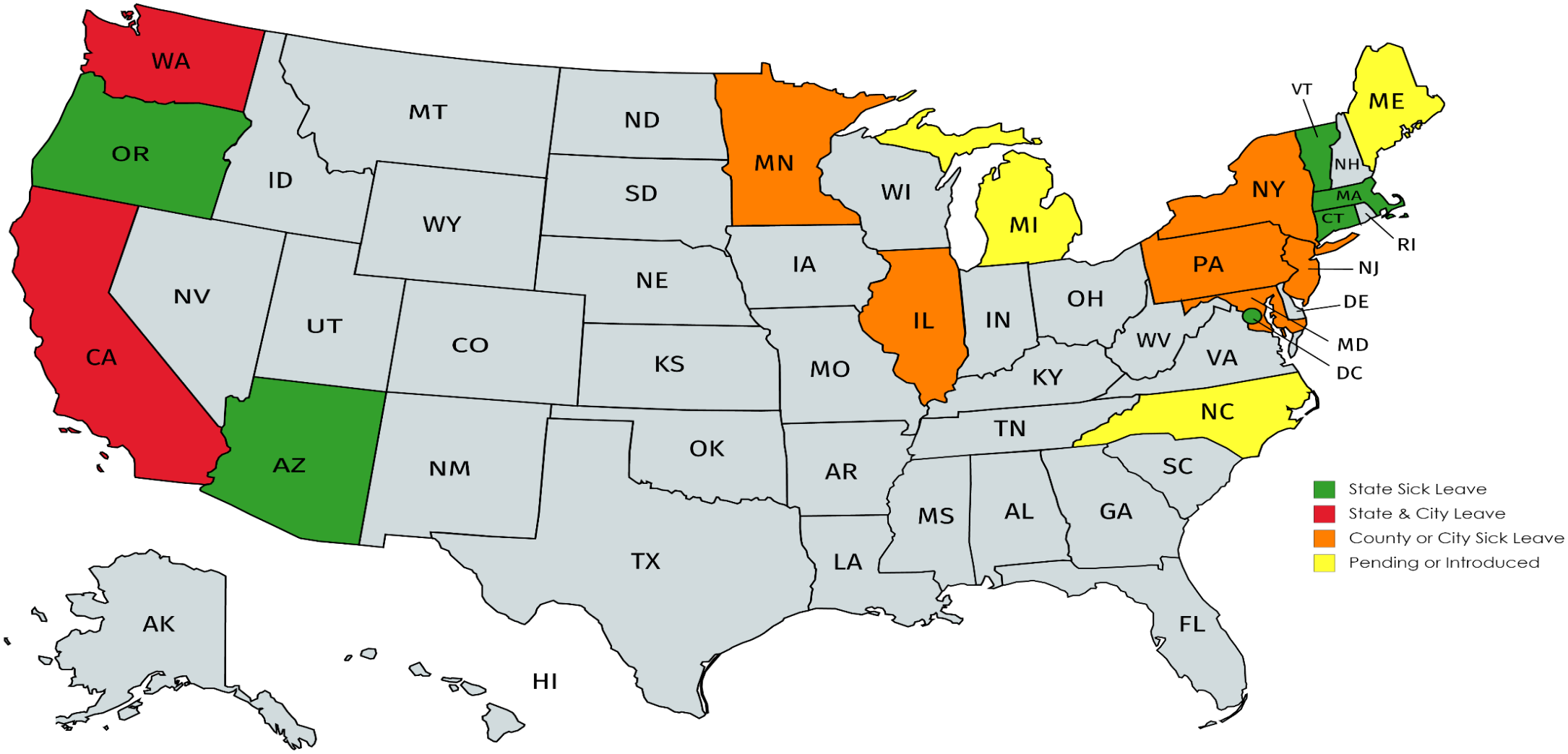
# Accruals Map




AVIONTÉ chart.net ©

# What's Next?

**Michigan Democrats Continue to Push for Paid Leave**

- Michigan Democrats introduced a bill to provide workers in the state with one hour of paid sick leave for every 30 hours worked. Similar legislation failed during the previous session, but the bill's sponsors believe that more people now view this as a nonpartisan issue. (*ABC 12*)

**Maine Sick Leave Bill Is in the Works**

- Maine state Sen. Rebecca Millett, introduced a paid-sick-leave bill that would apply to businesses with 50 or more employees, allowing them to earn 1 hour of sick time for every 30 hours worked. The bill would also require smaller businesses to give workers unpaid leave. (*The Press Herald*)

**Pennsylvania Lawmakers Seek to Quash City Laws**

- A bill making its way through the Pennsylvania state senate would also prohibit municipalities in the state from enacting workplace leave laws that go beyond what is required by federal or state laws. In its current iteration, the Republican-backed bill would apply retroactively, meaning that Philadelphia's existing ordinance and Pittsburgh's pending paid-sick-leave law would be deemed null and void. "The measure's supporters say labor policy should be established at the state and federal level to provide uniformity for businesses," the *Pittsburgh Post-Gazette* reports.

**North Carolina**

- Democrats in North Carolina have offered a bill the, "Economic Security Act of 2017" that would not only provide paid sick leave, but raise the minimum wage, compel equal pay for equal work and "ban the box" on job applications for government agencies.

**Maryland Paid Sick Leave Vetoed**

- Both chambers of the state legislature passed its offering of paid sick leave — the state House with just enough votes — 88. Republican governor Larry Hogan vetoed Democrats' efforts to provide paid sick leave to employees of businesses that have 15 or more employees while urging them to work with him to get a bill passed next year (*US News & World Report*).

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# Need additional legal guidance?

my|HR|counsel

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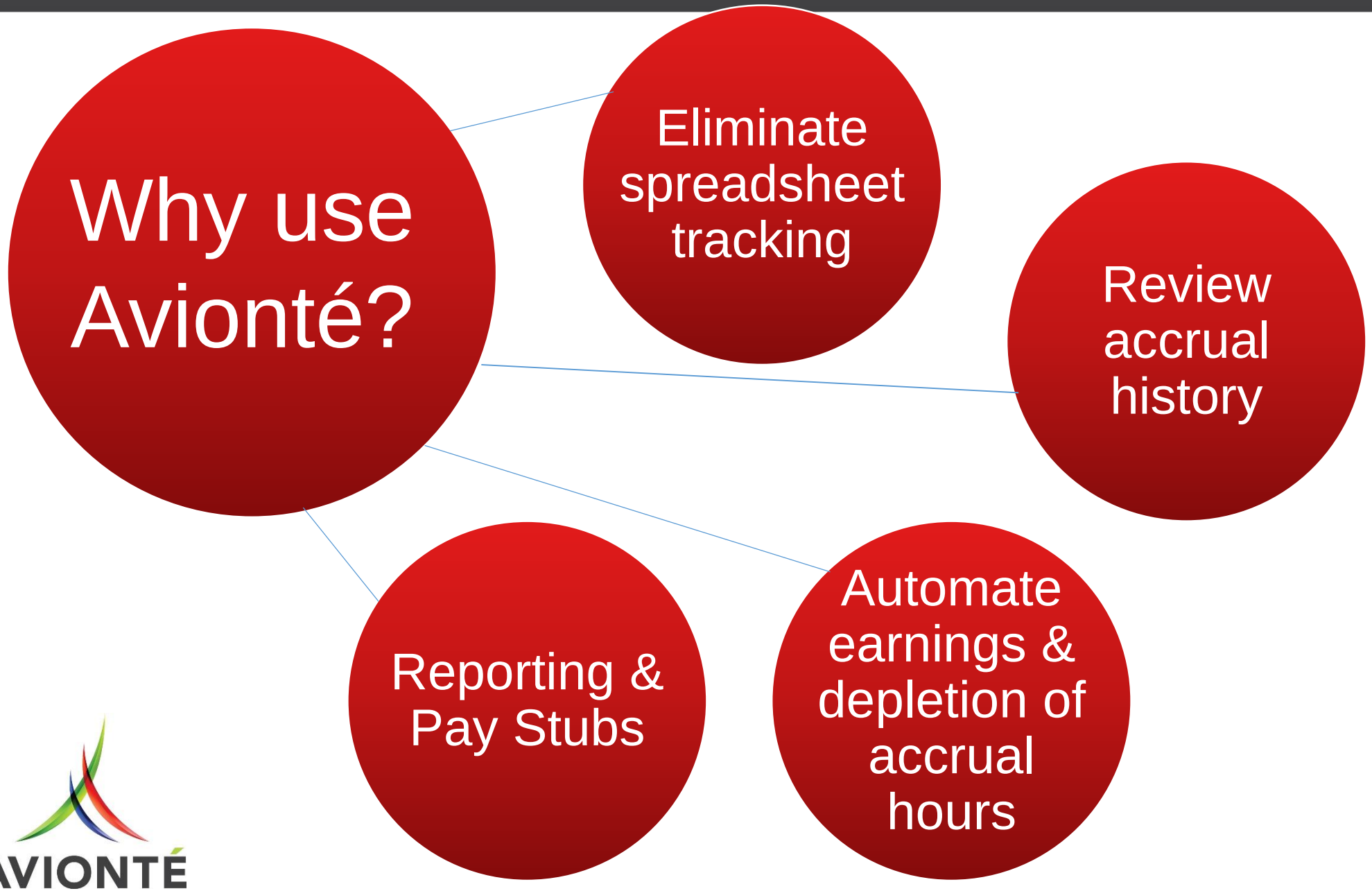
# Accruals: What's In It For Me?

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# Sick Leave Setup in Avionté

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# Step 1: Setting up Transaction Types

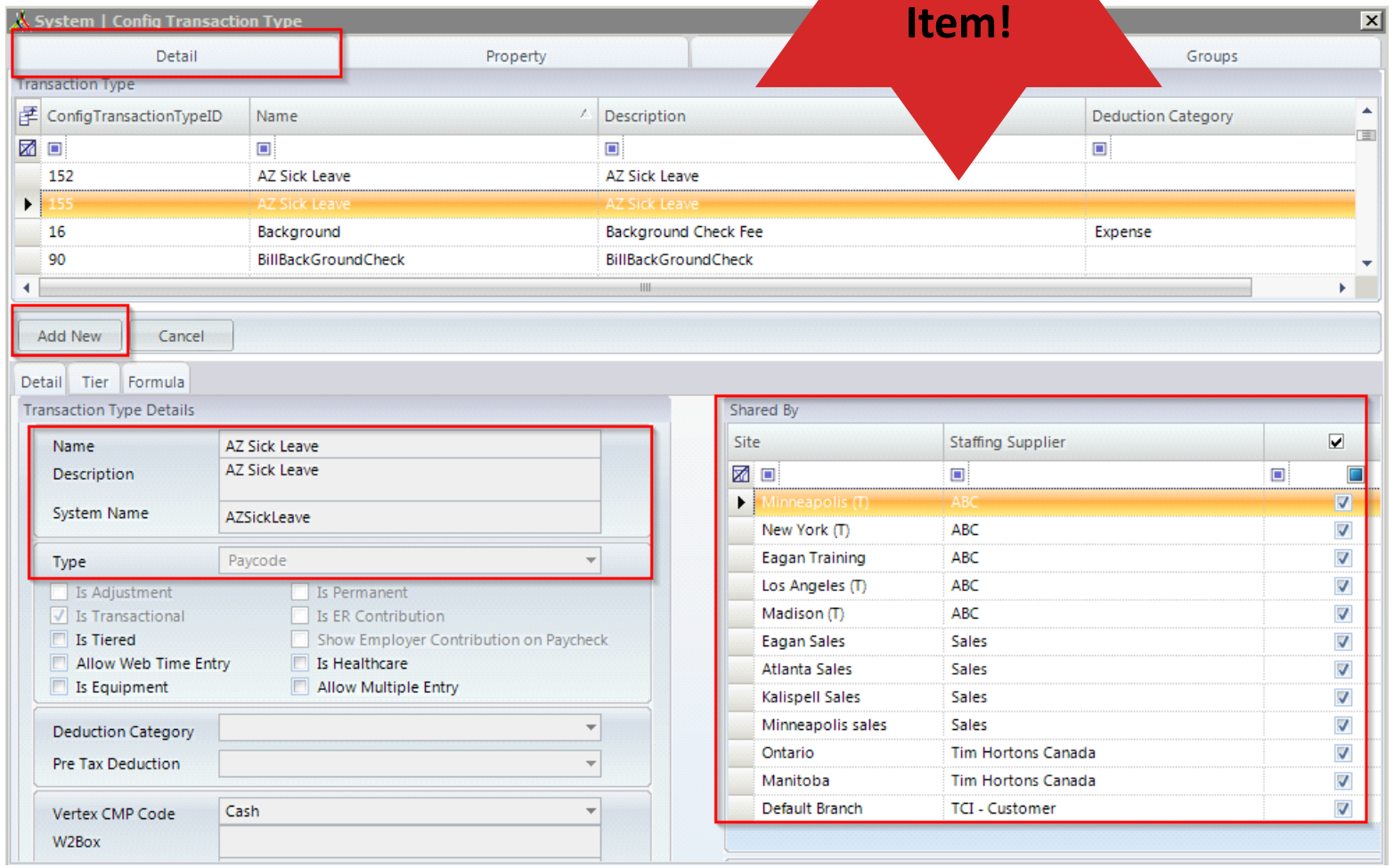
# Step 1: Setting up Transaction Types

## Creating Accrual Plan Transaction Types

- Best practice: Setup a new transaction type for each sick leave accrual plan!
- Admin Tools > System > Transaction Type
- Use that transaction type to deplete the sick leave accrual plan in Time Entry
- Example: AZ Sick Leave
- Type = Paycode to show in Time Entry
- Select Branches that have access & Click Save

[https://support.avionte.com/hc/en-us/articles/209618948-Admin-Tools-Transaction-Type](https://support.avionte.com/hc/en-us/articles/209618948-Admin-Tools-Transaction-Type)

**Action Item!**

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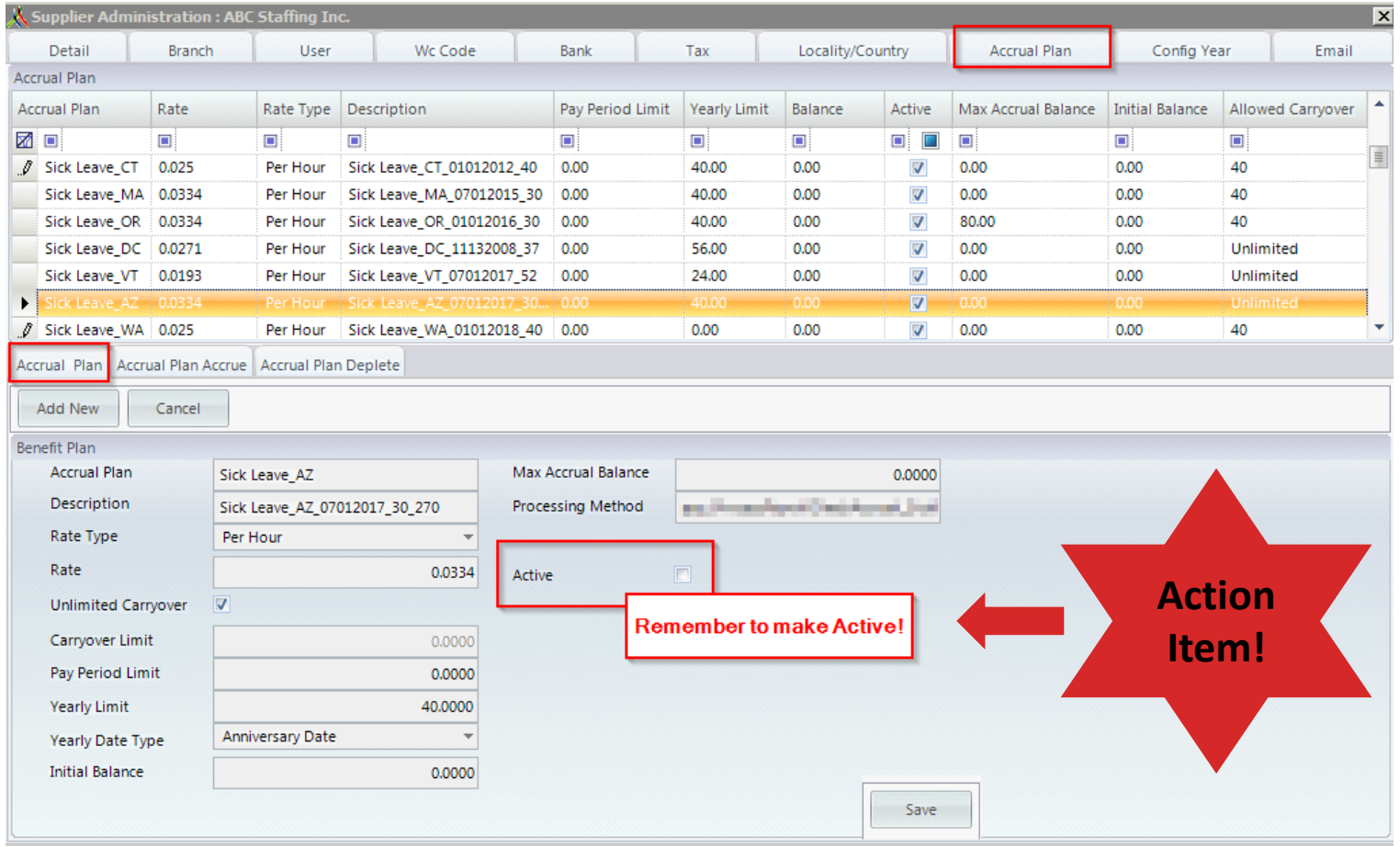
# Step 2: Activating Accrual Plans

# Step 2: Setting up Accrual Plans

## State Sick Leave

- Admin Tools > Employer > Accrual Plan
- Accrual Plans will be set up for you as Inactive
- Day Gap: # of days for a gap of employment
- *Processing Method needs to be requested from Tech Services

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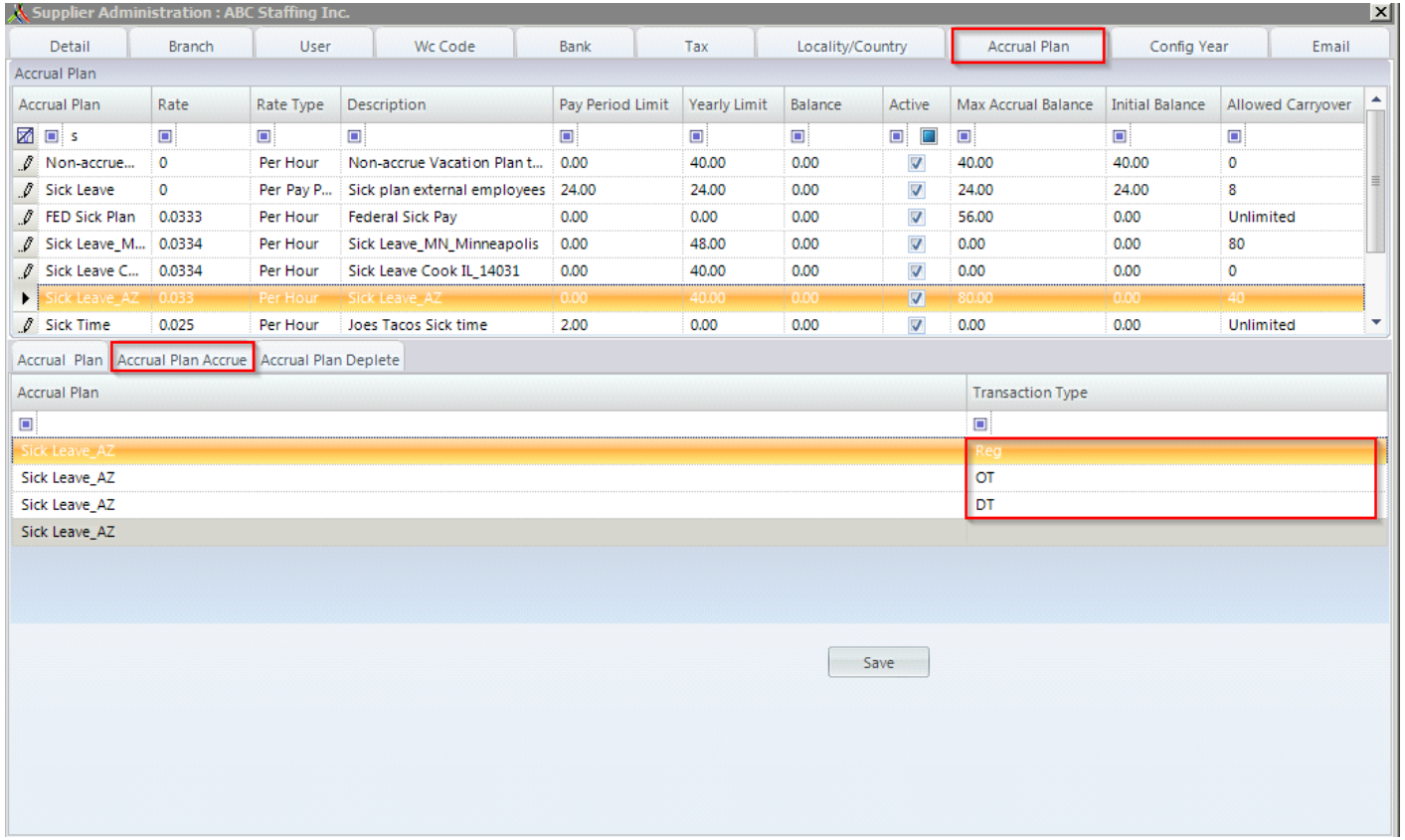
# Step 2: Setting up Accrual Plans

## Accrual Plan Accrue

- How/When is the Employee accruing hours?
- Set up for you
- Transaction Types: Reg, OT & DT
- Mapping transaction types in Time Entry to the Accrual Plan
- Example: When the Transaction Type of Reg has hours entered in Time Entry, the employee will accrue their sick leave hours

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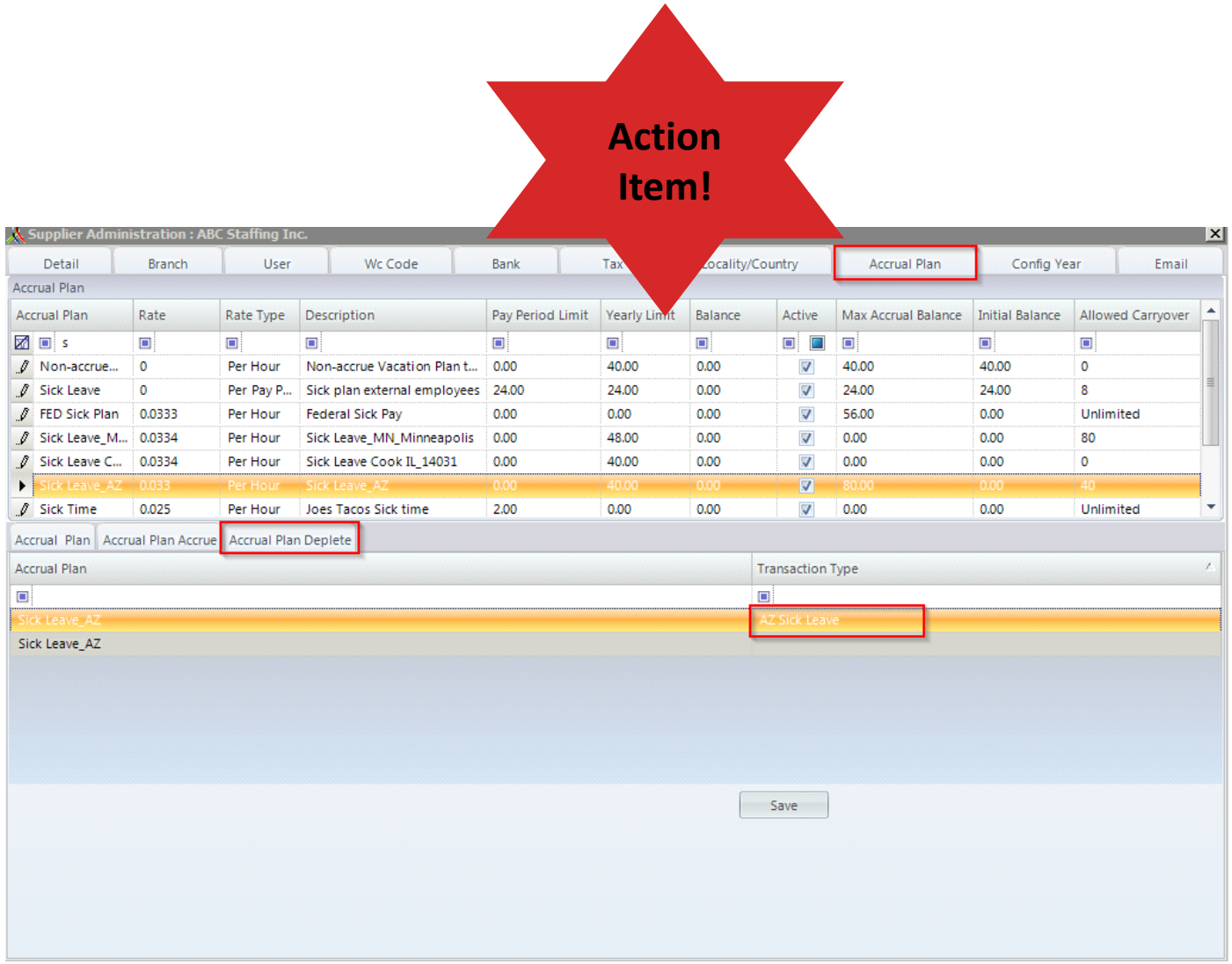
# Step 2: Setting up Accrual Plans

## Accrual Plan Deplete

- How/When is the Employee using hours?
- Map transaction types in Time Entry to the Accrual Plan
- Example: When the transaction type of AZ Sick Leave has hours in Time Entry, the Employee's hours will be decreased
  - This is the Transaction Type we set up in step 1!
- Click Save

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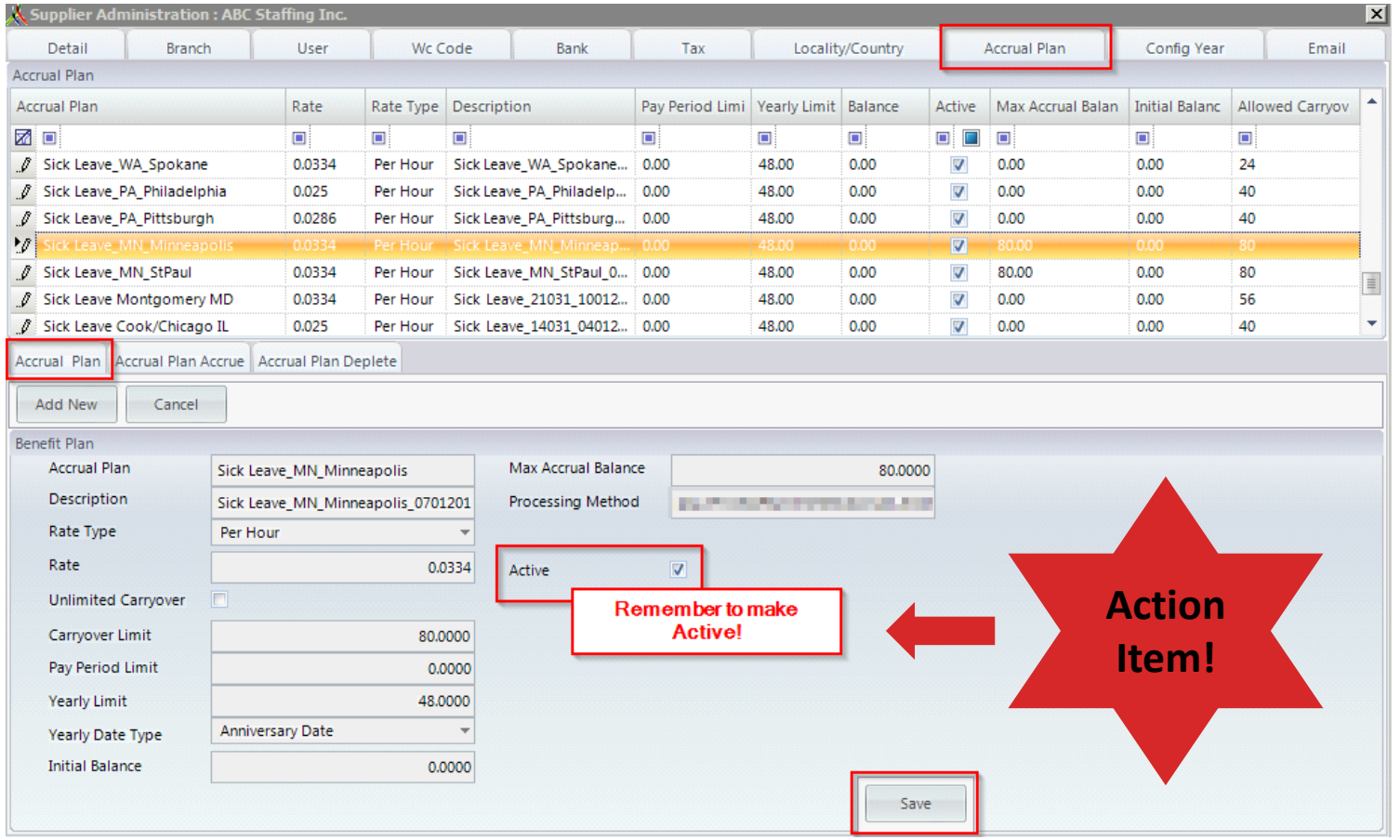
# Step 2: Setting up Accrual Plans

## City Sick Leave

- Admin Tools > Employer > Accrual Plan
- Accrual Plans will be set up for you as Inactive
- Day Gap: # of days for a gap of employment
  - Only need the gap if the plan tracks this
  - Extremely important to update the Employee accrual plan start date and yearly date if tracked
- *Processing Method needs to be requested from Tech Services
- Click Save!
- Specify Accrual Plan Deplete

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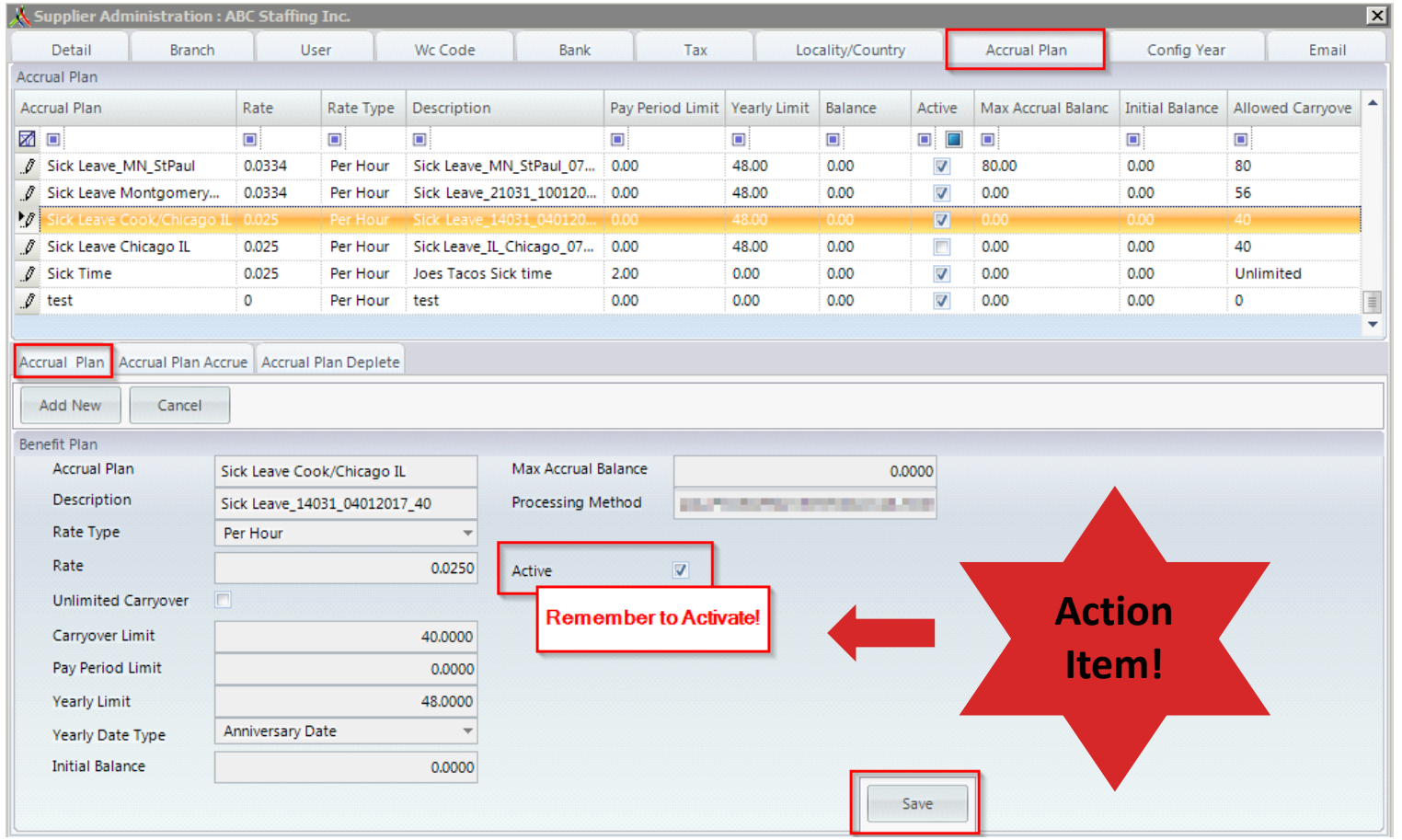
# Step 2: Setting up Accrual Plans

## County Sick Leave

- Admin Tools > Employer > Accrual Plan
- Accrual Plans will be set up for you as Inactive
- Day Gap: # of days for a gap of employment
- Looks at the **worksite Geocode** to determine the State and City
- *Request Processing Method from Tech Services
- Specify Accrual Plan Deplete

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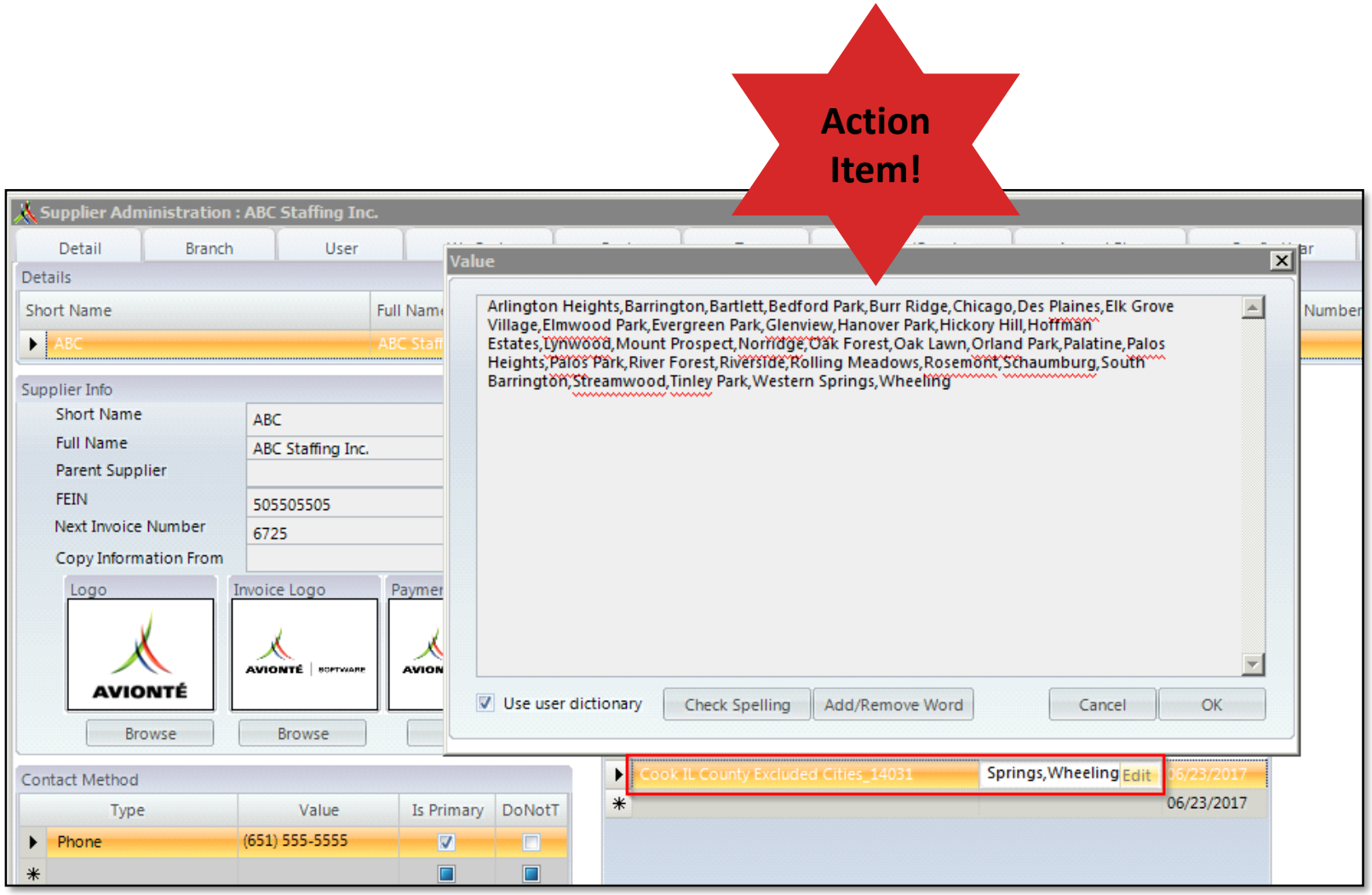
# Step 2: Setting up Accrual Plans

## Exempt Cities in a County

- If there are any cities in the county that shouldn't get the sick leave accrual plan to accrue for, a Supplier Property will be created
- Example Property: Cook IL County Excluded Cities_14031
- Value column = comma separated list of all the cities in that county to exclude from the accruing
- Verify excluded cities are correct

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# Step 3: Activating DRM's

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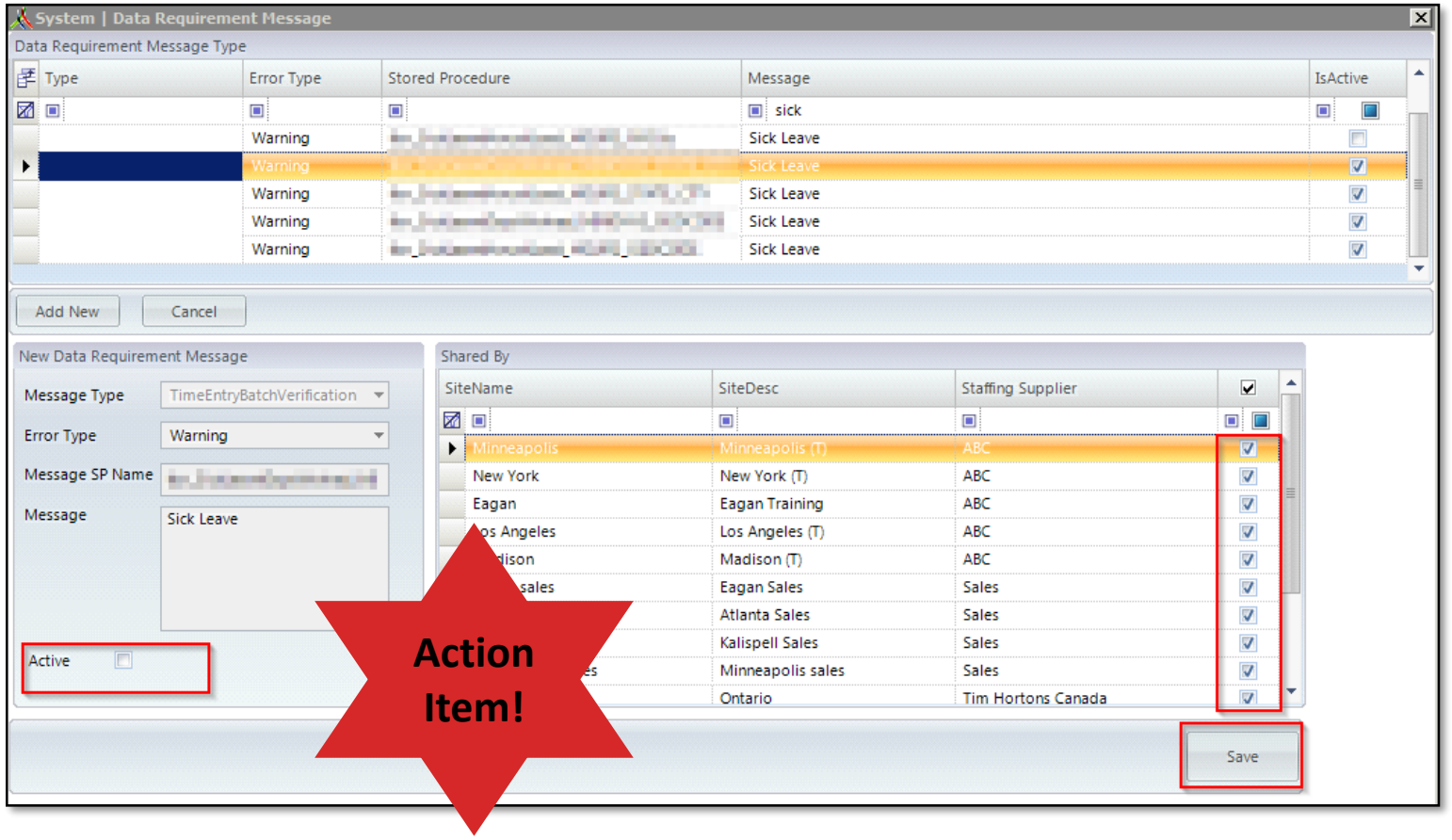
# Step 3: Setting up DRM's

## DRM Setup for Days

- Admin Tools > System > Data Requirement Message
- Filter by "Sick" in Message column
- Needs to be Activated
- Looks at the number of days before the Employee can use the accrued sick leave hours
  - Supplier Property
- *Message SP Name must be requested from Tech Services

Example: Minneapolis, MN Employees can't use their accrued hours for 90 days.

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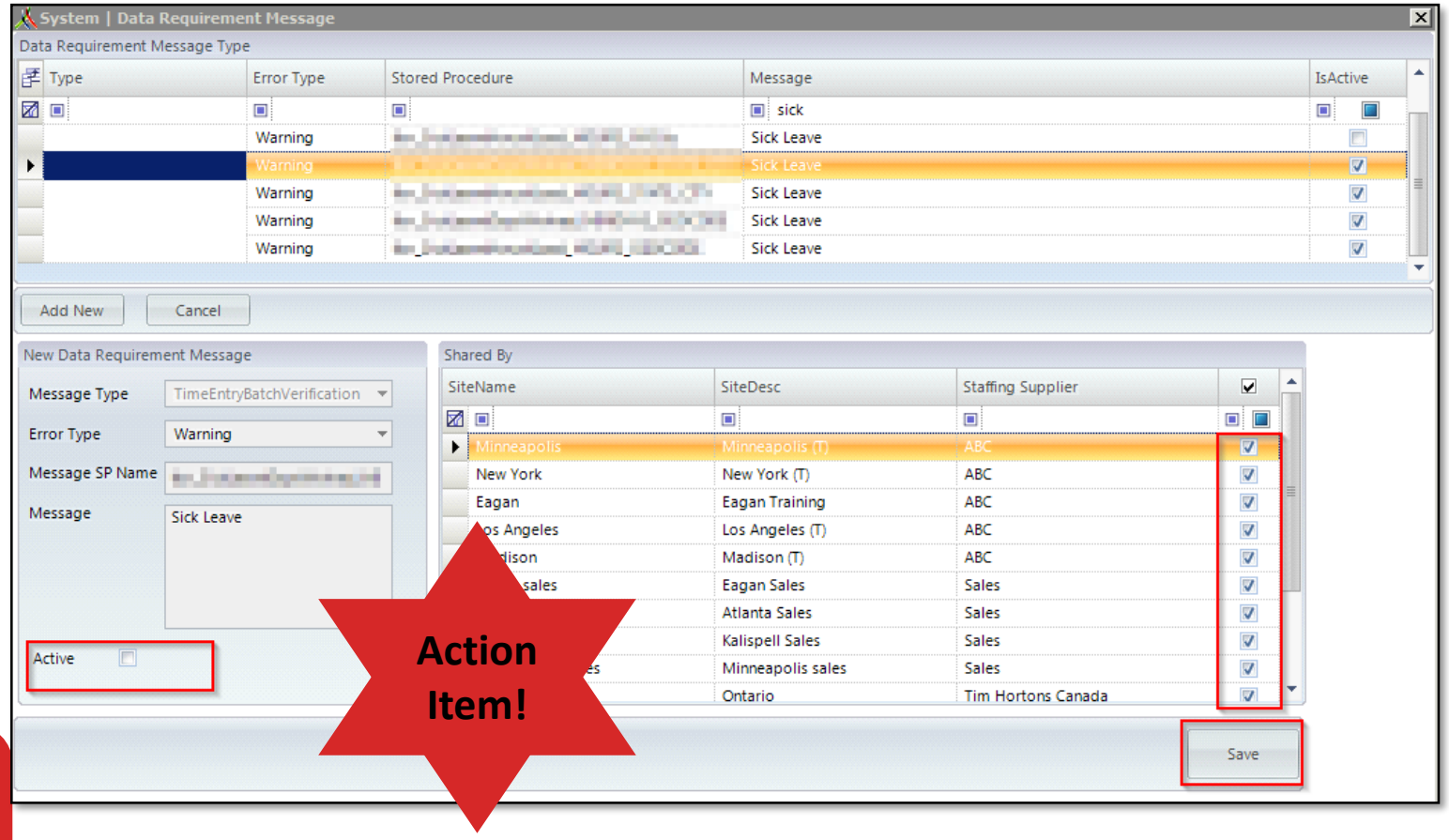
# Step 3: Setting up DRM's

## DRM Setup for Hours

- Admin Tools > System > Data Requirement Message
- Filter by "Sick" in Message column
- Needs to be Activated
- Looks at the number of accrued hours the Employee can use in a year
  - Supplier Property
- *Message SP Name must be requested from Tech Services




Example: Minneapolis, MN
Employees can't use more than 48 hours in a year

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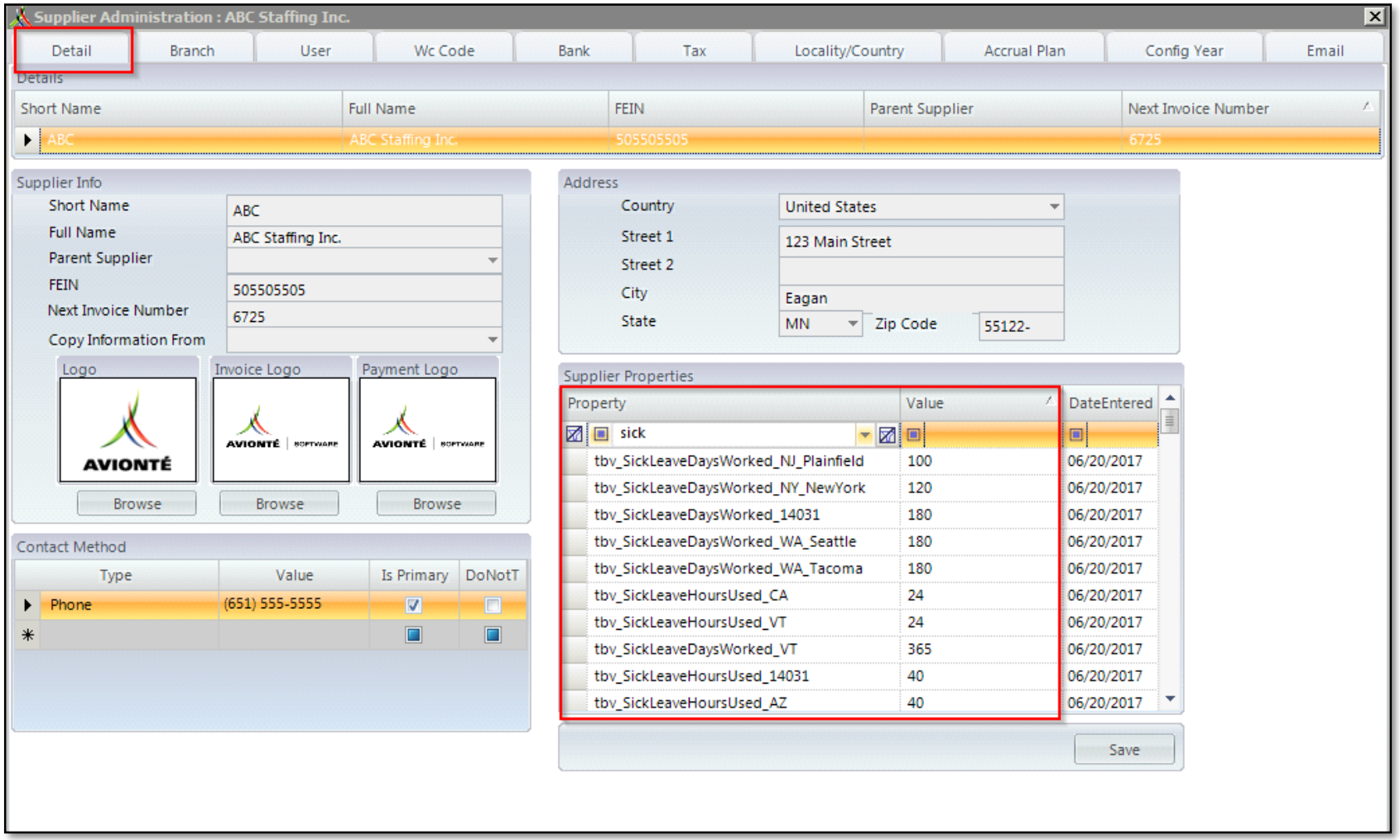
# Step 3: Setting up DRM's

## DRM Properties

- Admin Tools > Employer > Detail
- Provided by Tech Services
- Relates directly to DRM functionality
- Value column determines what the DRM will check against
  - Days or Hours needed before Sick Leave can be used

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# Step 4: Adding Employee Accrual Plans

# Sick Leave Eligibility

## New Sick Leave AQs

- Determines which sick leave plan an Employee qualifies for
- Identifies Employees who have gaps in employment

## Recommend running AQs on a regular basis

## Request Reports from Tech Services

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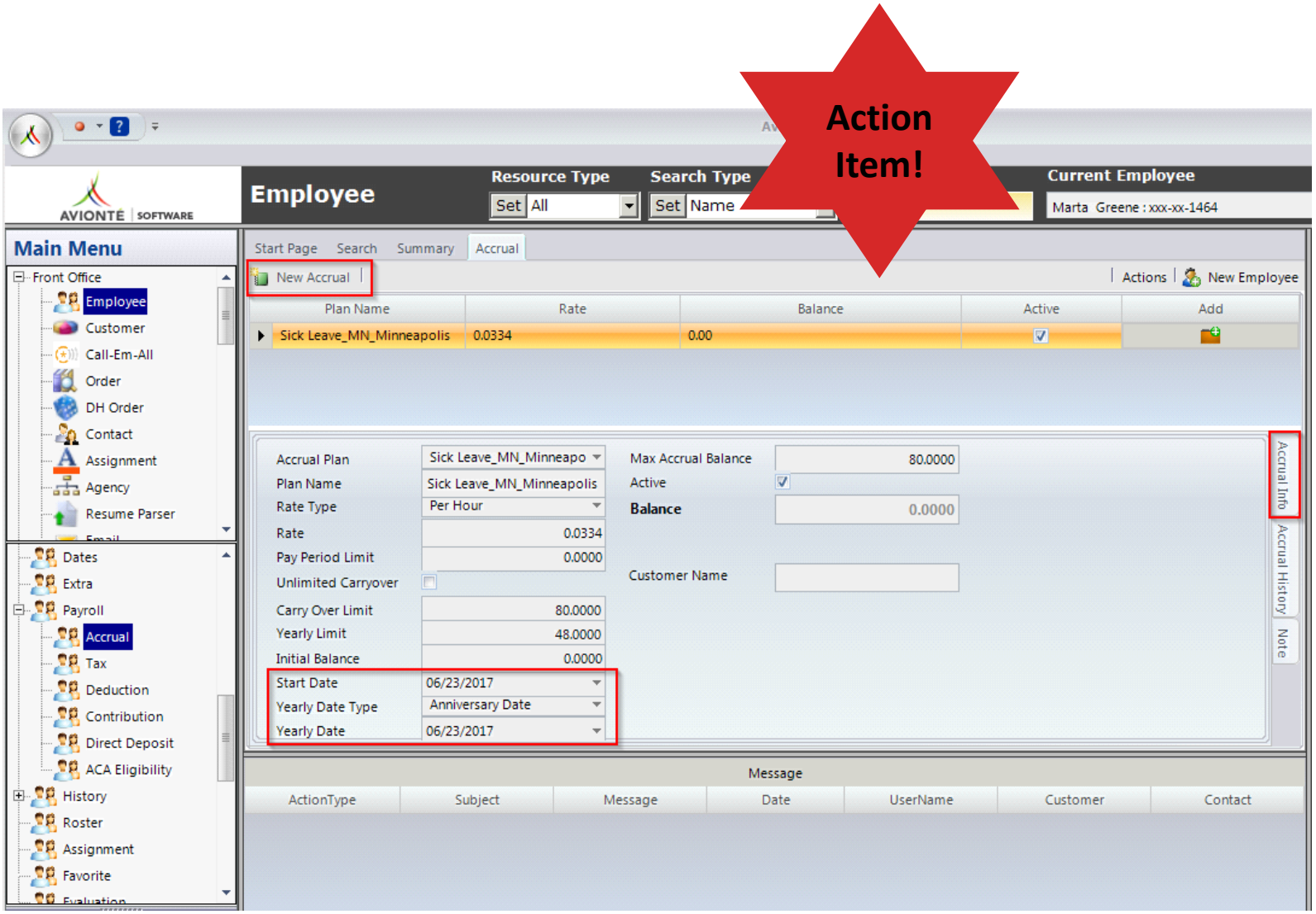
# Step 4: Viewing Employee Accrual Plans

## Employee Accruals

- Employee > Payroll > Accrual
- New Accrual & Select from dropdown
- Start Date: When the Accrual plan starts
- Yearly Date
  - Anniversary: Employee Specific & user-managed
  - Calendar: Jan 1st (calendar year)
- Click Save



# Handling Sick Leave Accruals in Avionté

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# Recording Sick Leave in Time Entry

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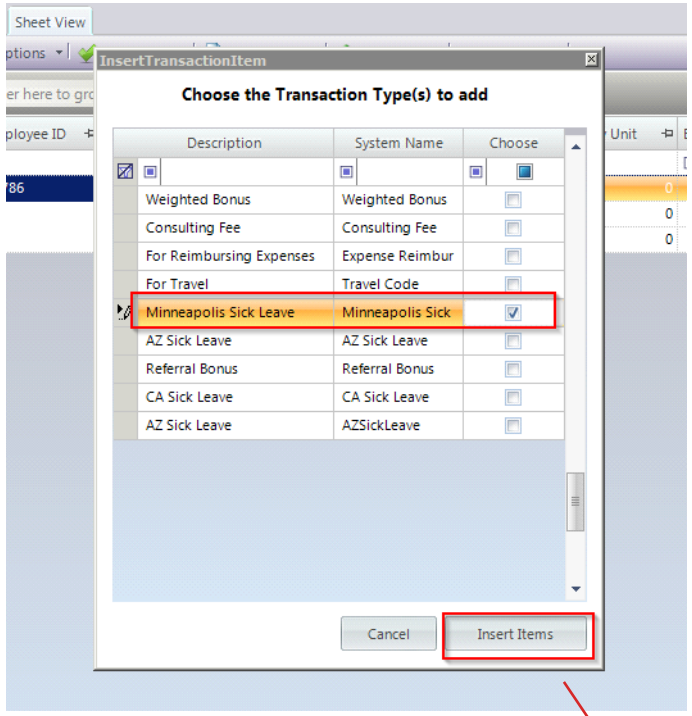
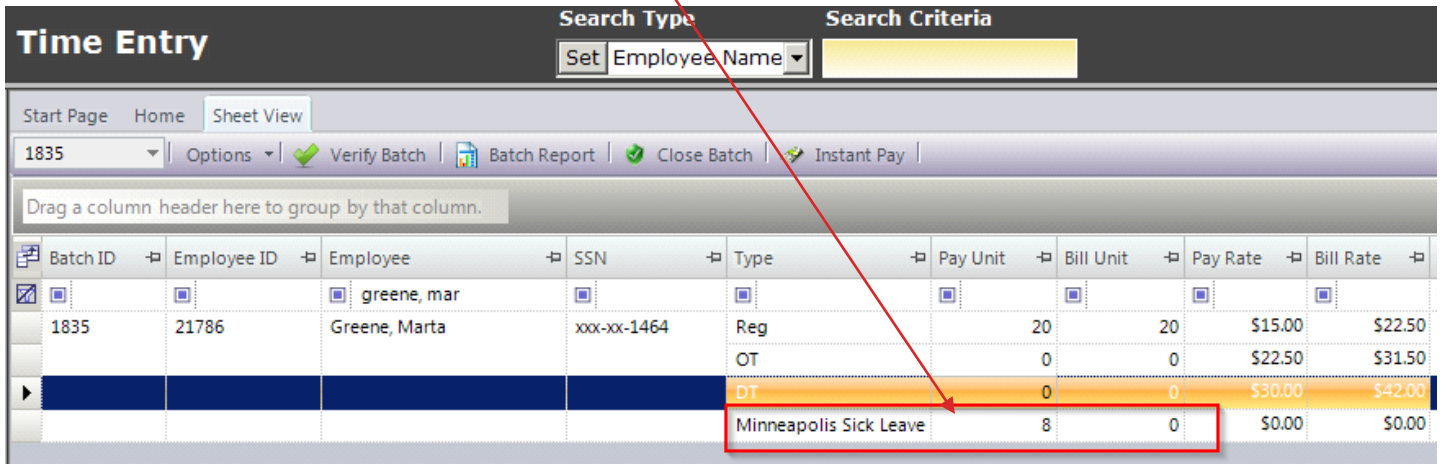
# Tracking Sick Leave in Time Entry

## Tracking Sick Leave in Time Entry

- Sheet View > Right click Employee > Insert Transaction Type
- Enter the hours or days the Employee used of their Sick Leave accrual
- Finish Time Entry as normal

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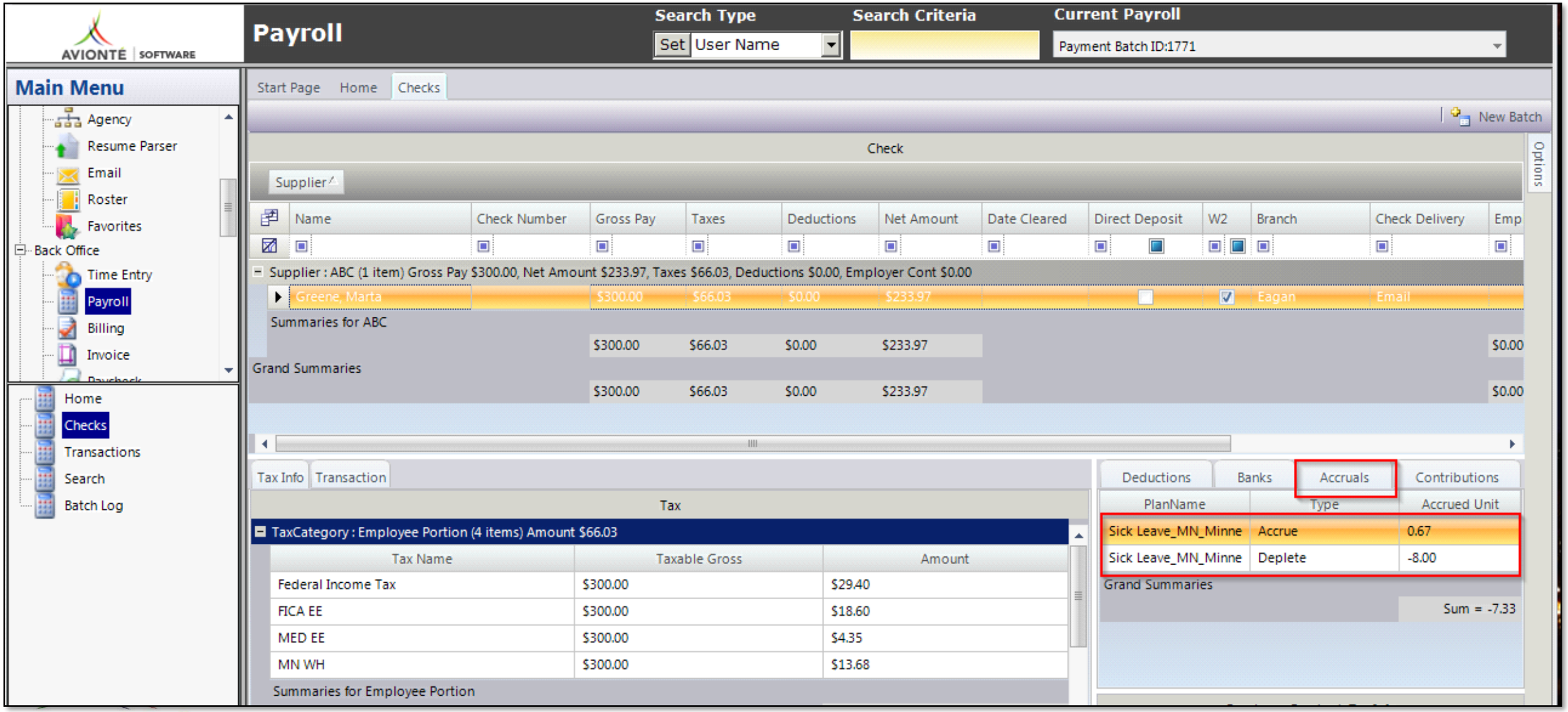
# Processing Payroll

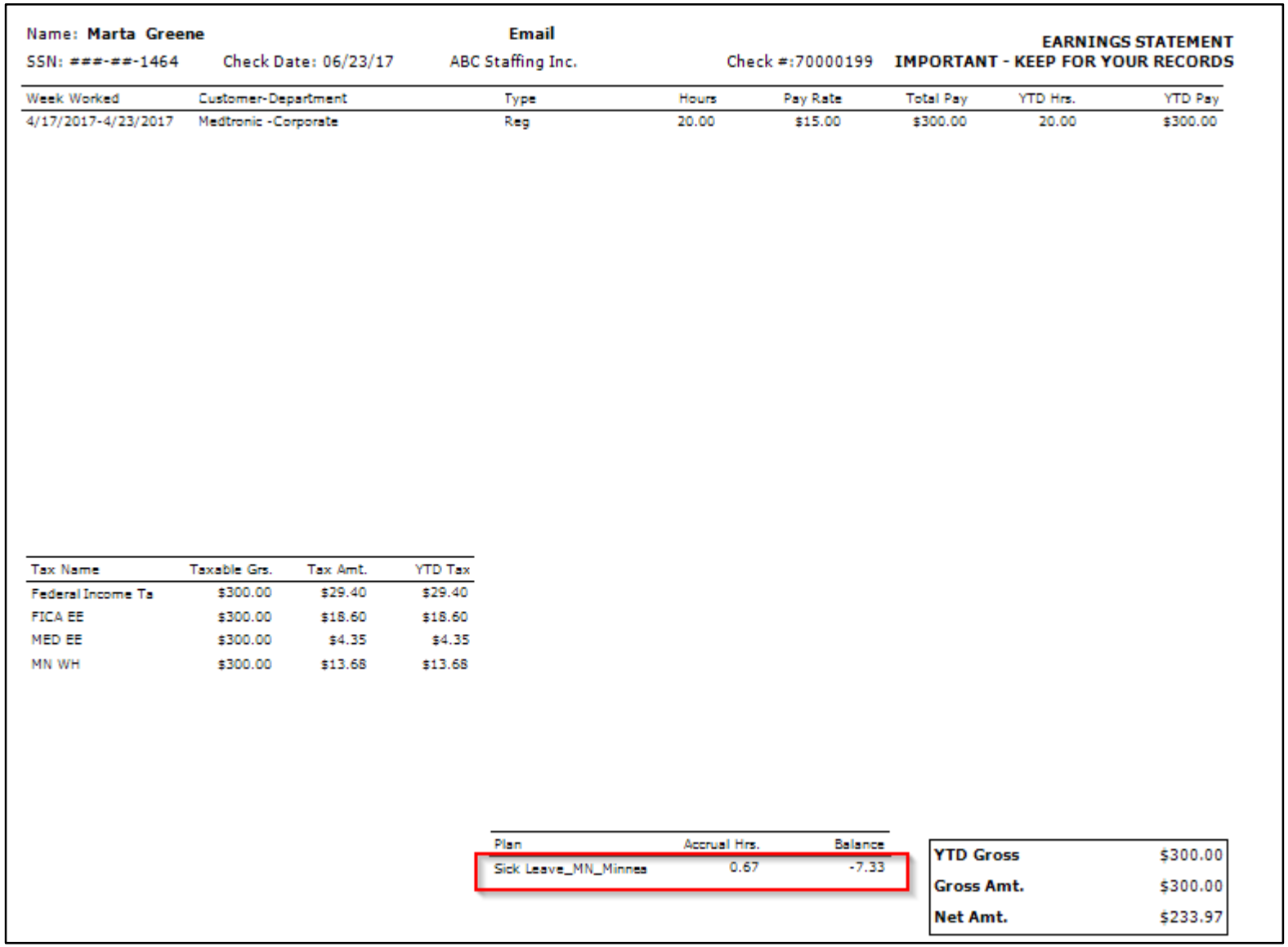
# Processing Payroll



# Processing Payroll

## Viewing Paystub

- Example: Entered 8 hours of Minneapolis Sick Leave in Time Entry
- Started with a balance of 0 hours
- During this pay period 0.67 hours were accrued
- Balance = -7.33 hours



Name: **Marta Greene** **Email**

SSN: ###-##-1464 Check Date: 06/23/17 ABC Staffing Inc. Check #:70000199

**EARNINGS STATEMENT**
**IMPORTANT - KEEP FOR YOUR RECORDS**

| Week Worked | Customer-Department | Type | Hours | Pay Rate | Total Pay | YTD Hrs. | YTD Pay |
|---|---|---|---|---|---|---|---|
| 4/17/2017-4/23/2017 | Medtronic -Corporate | Reg | 20.00 | $15.00 | $300.00 | 20.00 | $300.00 |

| Tax Name | Taxable Grs. | Tax Amt. | YTD Tax |
|---|---|---|---|
| Federal Income Ta | $300.00 | $29.40 | $29.40 |
| FICA EE | $300.00 | $18.60 | $18.60 |
| MED EE | $300.00 | $4.35 | $4.35 |
| MN WH | $300.00 | $13.68 | $13.68 |

| Plan | Accrual Hrs. | Balance |
|---|---|---|
| Sick Leave_MN_Minnea | 0.67 | -7.33 |

| | |
|---|---|
| **YTD Gross** | $300.00 |
| **Gross Amt.** | $300.00 |
| **Net Amt.** | $233.97 |

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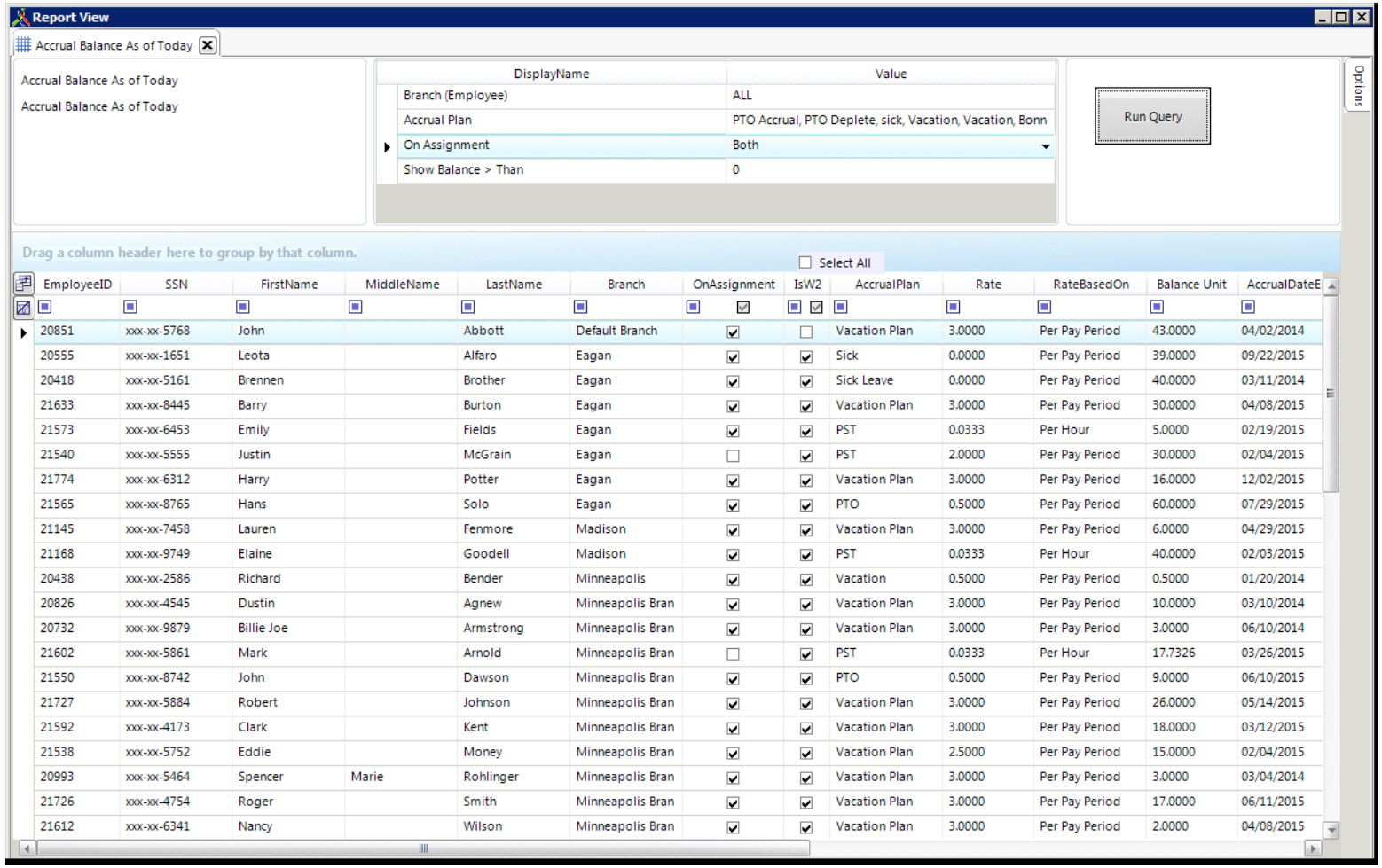
# Reporting

# Accrual Balance As of Today AQ

- This report is an easy way to pull up accrual balance information for employees from today's date.
- Report Parameters:
  - Branch (Employee)
  - Accrual Plan
  - On Assignment
  - Show Balance > Than

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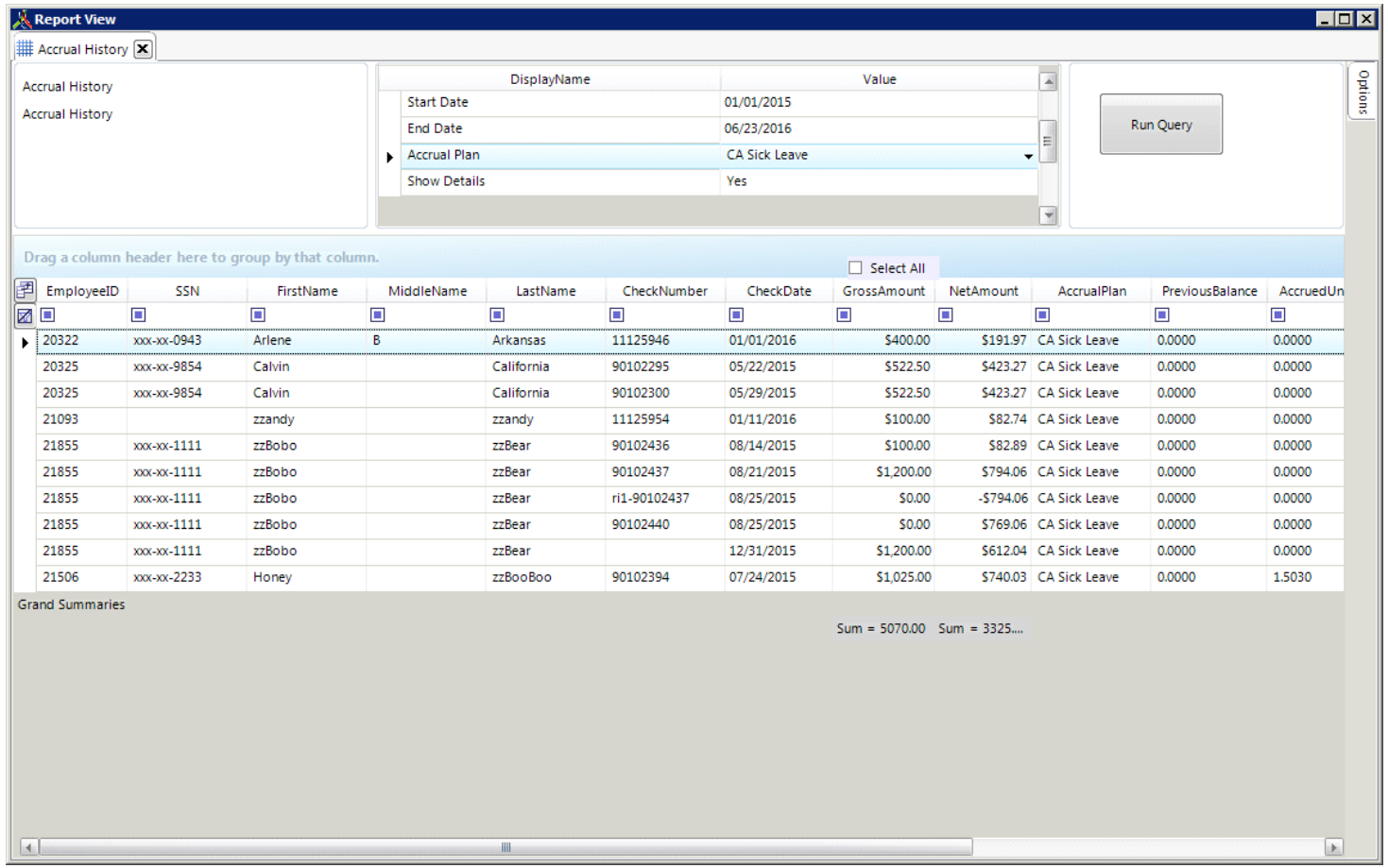
# Accrual History AQ

- This report is useful to see an employee's accrual information over time from each pay period
- Report Parameters:
  - Date Type (Check Date or Accounting Period Date)
  - Start Date & End Date
  - Branch (Check)
  - Accrual Plan
  - Show Details

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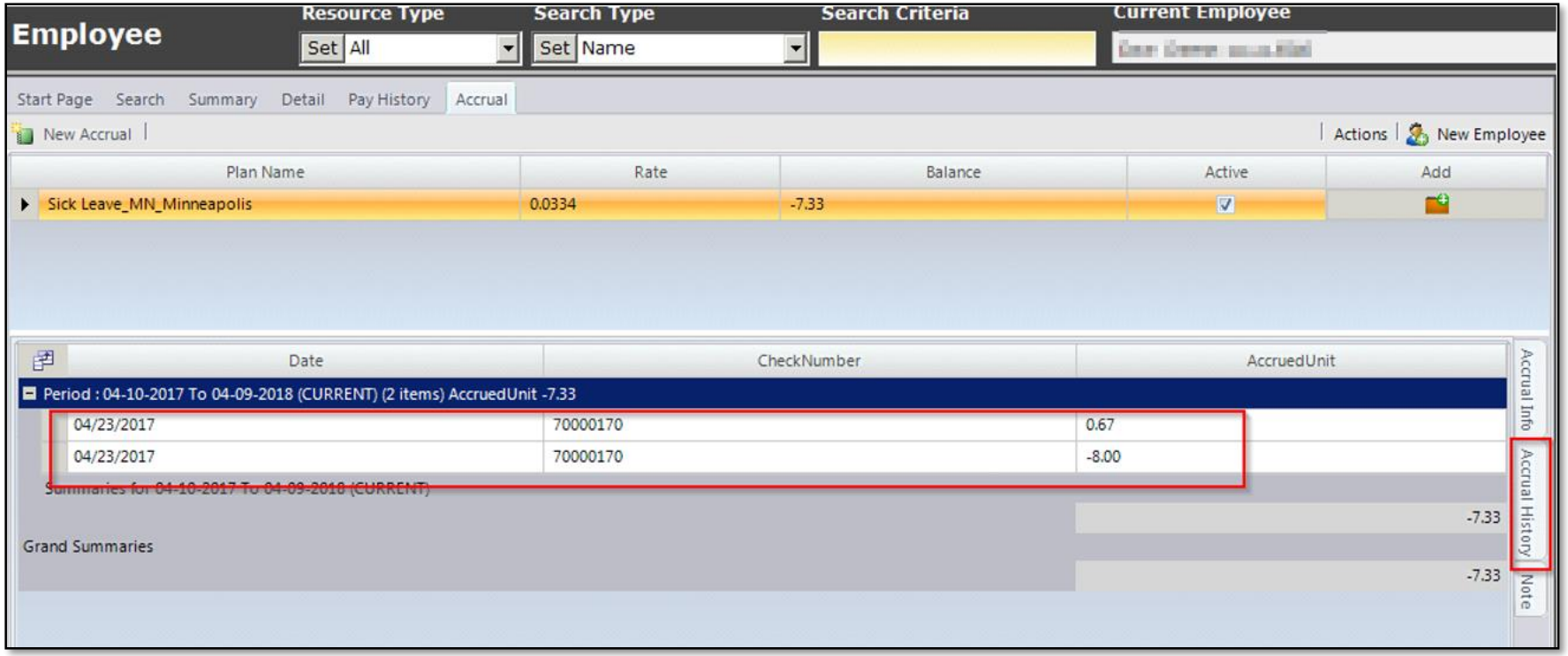
# Managing Accrual Plans & Balances

# Managing Accrual Plans

## Accrual History

- Employee > Payroll > Accrual
- Employee Accrual History allows you to see earnings & usage of Accrued Hours
- Updated information available upon closing of Accounting Period
- Example: Dave earned 0.67 hours and a total of 8 hours were tracked in Time Entry
  - 0.67- 8.00 = -7.33

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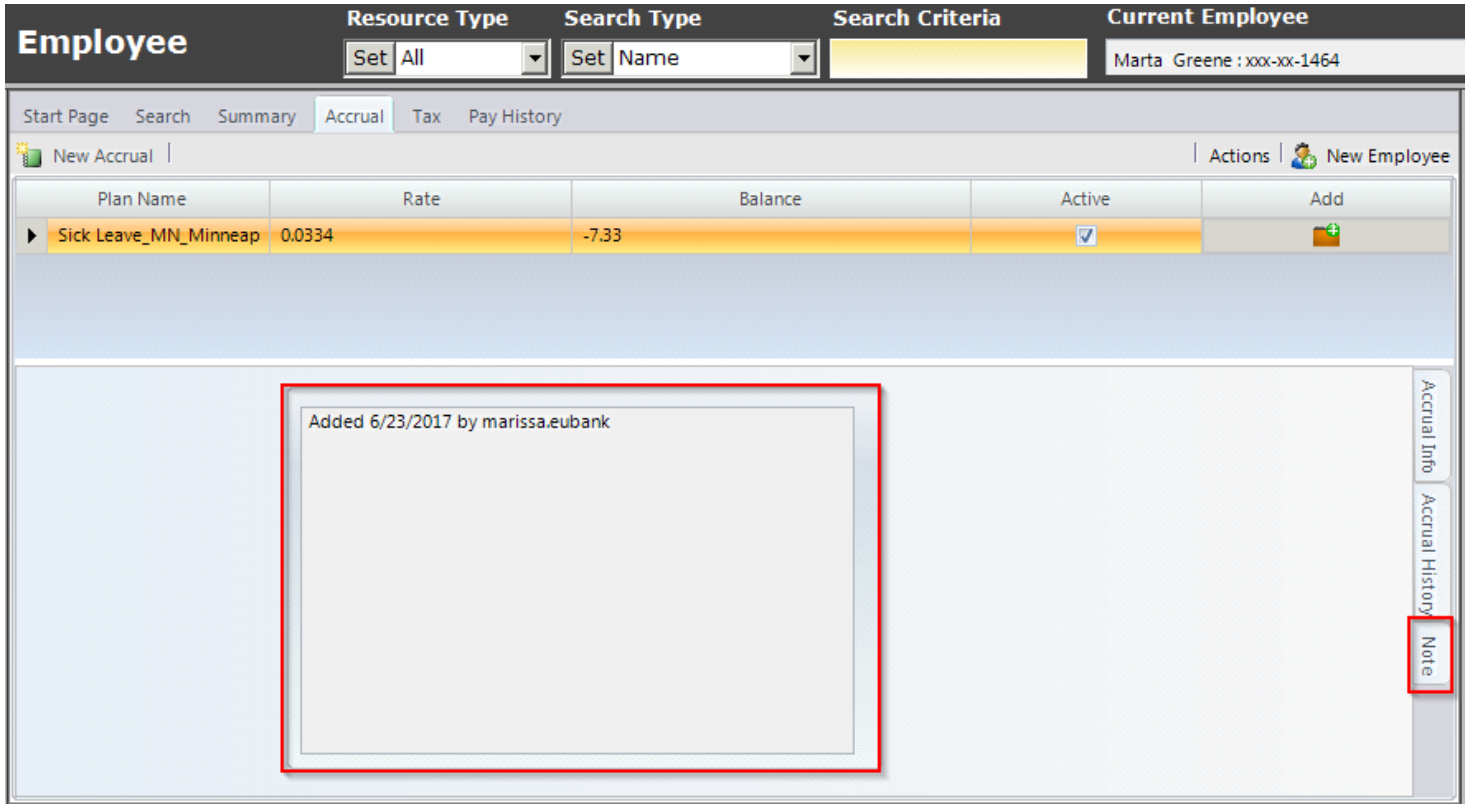
# Managing Accrual Plans

## Accrual Notes

- Employee > Payroll > Accrual > Note
- Free-text field
- Activity tracked in Employee Log

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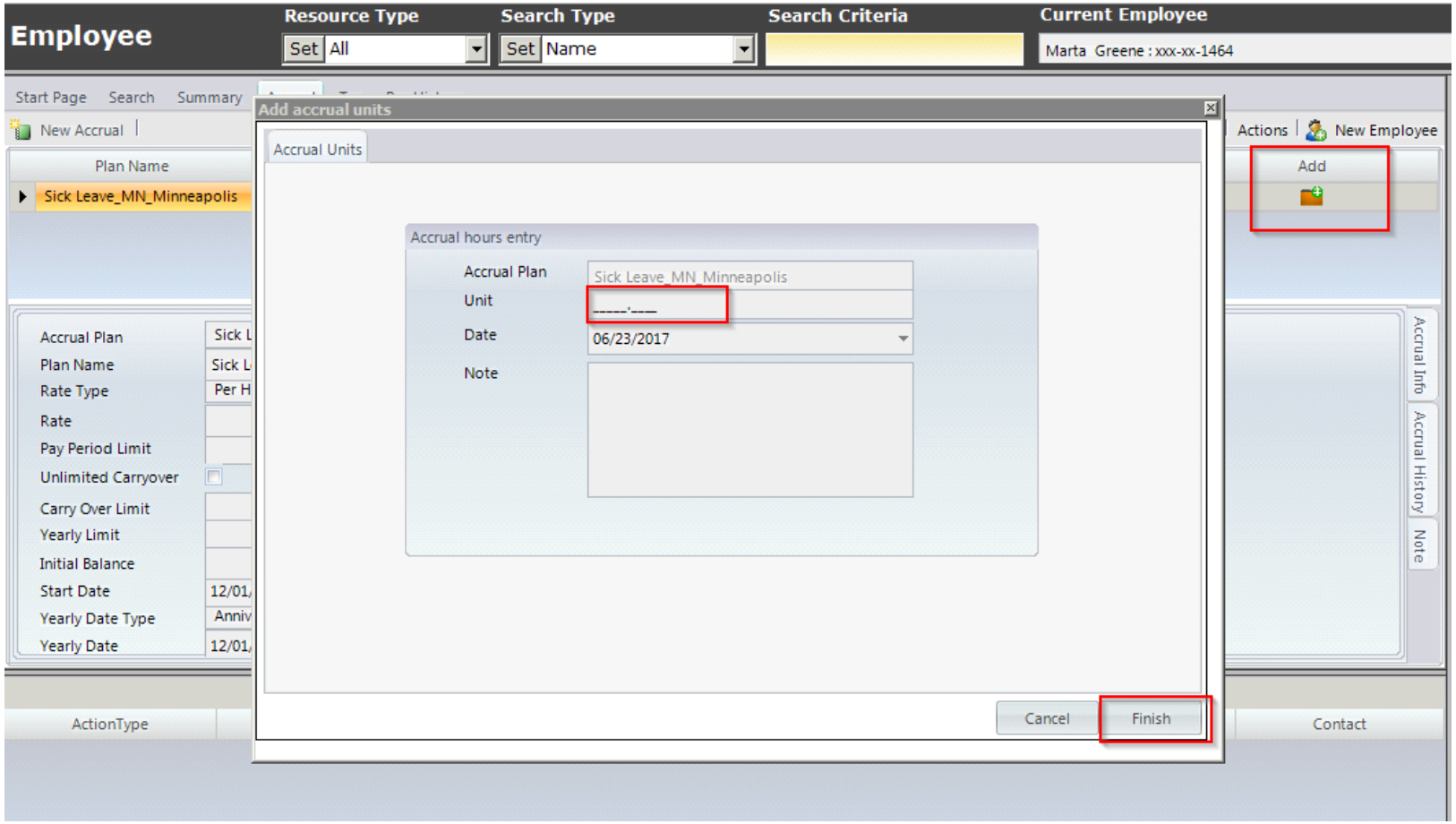
# Managing Accrual Balance

## Manual Add/Deplete

- Employee > Payroll > Accrual
- Click Add to manually adjust the Employee's accrued hours
- Add or Deplete
- Especially useful for frontloading
- Accessible under Accrual History
- The updated hours will be reflected once the Accounting Period has closed

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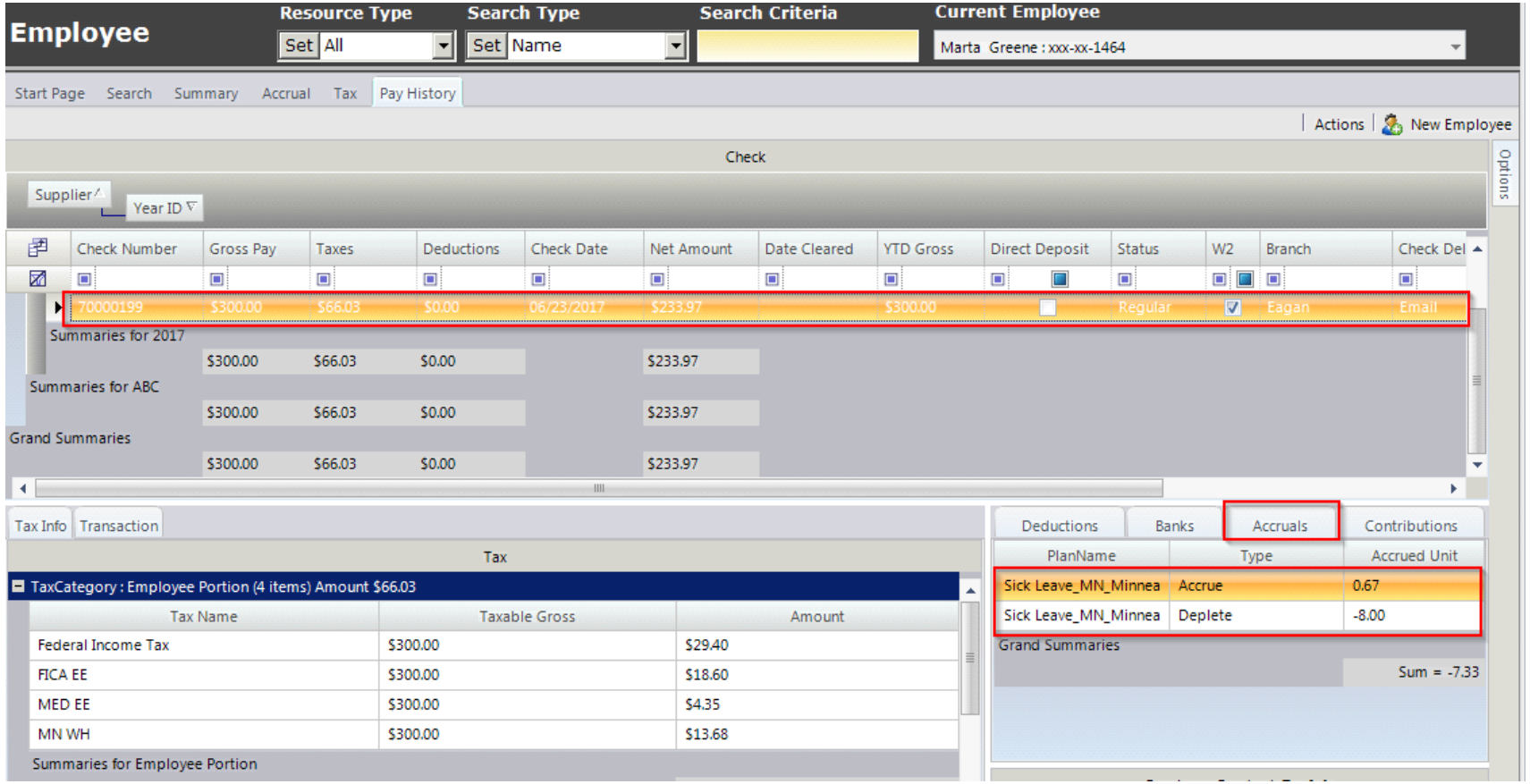
# Managing Accrual Plans

## Pay History

- Employee > History > Pay History
- On the Accruals tab you can view accrual information relating to the specific paycheck
- Amount accrued and amount used

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# Next Steps

# What's Next?

- ✓Set up Transaction Types
- ✓ Activate Accrual Plans
- ✓ Activate DRMs
- ✓ If Self-Hosted, request sick leave procedures and DRM processing method from Tech Services
- ✓ Verify paystub, are you using custom?
  - ➢ If so, request the necessary changes to your custom pay stub
- ✓ Specify user permissions relating to accruals
- ✓ Make sure you are compliant outside of Avionté!

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# Questions?