



Greetings,

The Federal Families First Coronavirus Response Act (FFCRA) was signed into law on March 18, 2020 and per the DOL guidance is effective April 1, 2020. Although this act covers many topics, one of the most relevant to employers is the temporary expansion of the Family and Medical Leave Act (FMLA) and the new Federal paid sick leave for employee affected by COVID-19.

In addition, the CARES Act was passed on March 27, 2020. This allows Small Businesses to take advantage of funding sources to support your business needs. In doing so, please know you cannot take advantage of both programs at the same time. Tilson encourages you to consult your CPA and/or Attorney while identifying which provision will be the best option for your business.

Here are a few important things that you need to know:

1. To assist you in certifying and documenting the different leaves, Tilson has created two forms to assist you. It is recommended that you have the employee complete the top portion and then you as the employer complete the bottom portion. It is also recommended that you retain these completed forms for your records.
2. How do I report the paid leaves under the FFCRA time to Tilson?
 - a. You will report Paid Sick Leave or Family Leave via your normal payroll reporting method.
 - i. if you utilize the Employer Portal to report payroll, then you will report either regular pay or Leave pay on your timesheet.
 - ii. If you are a client who utilizes our SwipeClock Time Keeping system, then you would select the Category drop down to identify which pay type is being reported.
 - b. Tilson has **created new pay codes for you to utilize**, when tracking and reporting the leaves for payroll purposes. These Leave Codes would appear on your Time Sheet as labeled below. The new pay codes are as follows:
 - i. Federal Mandated Paid Sick Leave – **FMPSCKL-1** (full rate of pay)
 - ii. Federal Mandated Paid Sick Leave – **FMPSCKL-2** (2/3 rate of pay)
 - iii. Federal Mandated Paid Family Leave – **FMPFAML-1** (2/3 rate of pay)
 - c. Employees are compensated at the higher of their regular rate, the federal minimum wage, or the local minimum wage. The eligible tax credit is based on the following:
 - i. If an employee takes leave under the Emergency FMLA Expansion Act, the employer is eligible to receive a tax credit not to exceed \$200 per day and \$2,000 in the aggregate.
 - ii. If an employee takes leave under the Emergency Paid Sick Leave Act, the employer is eligible to receive a tax credit not to exceed \$511 per day and \$5,110 in the aggregate
3. What is the Emergency FMLA Expansion Act?
 - a. As a section of the FFCRA, the Emergency FMLA Expansion Act is now in place and will expire on December 31, 2020. The Emergency FMLA leave only applies to employees who take emergency leave for a qualifying event. Please refer to the FFCRA Employee Rights Poster for basic provision under the act and view the COVID-19 Resource webpage for more information.
4. What is the Emergency Paid Sick Leave Act?
 - a. The FFCRA also includes the Emergency Paid Sick Leave Act that provides federal paid sick leave for eligible employees. This law will also exhaust on December 31, 2020. Please refer to the FFCRA Employee Rights Poster for basic provision under the act and view COVID-19 Resource webpage for more information.

5. We have also attached a FFCRA and CARES Act Payroll scenarios chart, to help with any additional questions you may have.

If you have any questions or concerns, please feel free to contact a member of your Tilson Service Team.