



FAQ: STRS EFFECTS OF TAKING EMERGENCY PAID SICK LEAVE AND EXPANDED FMLA

Q: How might taking leave under Emergency Paid Sick Leave (HR 6201) and FMLA/HR 6201 affect my STRS?

With passage of the Families First Coronavirus Response Act (FFCRA), Congress created an additional entitlement for sick leave and paid expanded family and medical leave related to COVID-19. For an explanation of the [qualifying reasons](#), [duration of leave](#), and [calculation of pay](#) for such leave, please see below.

Regarding the STRS effects of taking such leave: When CalSTRS calculates years of service, they use the concepts of [compensation earnable](#) and [compensation earned](#). Below are a few examples to illustrate how taking leave under FFCRA may have an impact on CalSTRS service credit and final compensation:

CalSTRS Service Credit Impact:

Scenario 1: Mid-year teacher’s [compensation earnable](#) is **\$70,000** and has a 184-day work calendar. They take ten days (two weeks) of emergency sick leave under FFCRA to take care of their two children due to school closure. They then take fifty additional days (ten weeks) of paid expanded sick leave under FFCRA.

Service Credit Calculation:

$$\begin{aligned}
& \$70,000 / 184 = \$380.43 \text{ daily rate of pay} \\
& \$380.43 \times 2/3 = \$253.61 \text{ (2/3rds of daily rate of pay exceeds the \$200 cap for family care)} \\
& \text{Daily Rate of Pay for 10 weeks of Leave (assume a five-day week)} = \$200 \\
& (\$200 \times 10 \text{ days of FFCRA emergency sick leave} = \$2,000) \\
& + \\
& (\$200 \times 50 \text{ days of FFCRA expanded sick leave} = \$10,000) \\
& + \\
& (\$380.43 \times 134 \text{ days of regular pay on return to work} = \$50,978) \\
& =
\end{aligned}$$

Compensation Earned = \$58,978

CalSTRS Service Credit Calculation: (\$58,978 / \$70,000 regular salary = **.84 year of STRS credit**)

Scenario 2: Speech pathologist’s [compensation earnable](#) is **\$115,000**; they have a 190-day work calendar; and they have used all available sick leave. They are then ordered to quarantine for 14 days due to possible COVID exposure, so they take two weeks of emergency sick leave under FFCRA and use four days of differential leave under Ed. Code section 44977. The school district sub rate is \$160.00 per day.

Service Credit Calculation:

$\$115,000 / 190 = \605.26 daily rate of pay (daily rate exceeds the \$511 cap)
Daily Rate of Pay for Two Weeks of Leave under FFCRA = \$511.00
Daily Rate of Pay for Four Days of Differential Pay = $(\$605.26 - \$160.00 = \$445.26)$
 $(\$511.00 \times 10 \text{ days of FFCRA emergency sick leave} = \$5,110.00)$
+
 $(\$445.26 \times \text{four days of differential pay} = \$1,781.04)$
+
 $(\$605.26 \times 176 \text{ days of regular pay on return to work} = \$106,525.76)$
=

Compensation Earned = \$113,417

CalSTRS Service Credit Calculation: $(\$113,417 / \$115,000 = .986 \text{ year of STRS credit})$

****NOTE:** Under both scenarios there are some types of extra compensation that would normally be credited to the Defined Benefit Supplemental (DBS) account that could count toward the Defined Benefit (DB) account to reach a full year of service. Please consult your CTA staff person for more details on this point.

Final Compensation:

Let's assume that the Speech Pathologist in Scenario 2 is retiring at the end of the 2020-21 school year. Her salary in the 2019-20 school year was \$115,000 and in the 2018-19 school year was \$112,746. Here are different examples of how the member's final year compensation may be affected based on when they were hired and how many years of service they have at the time of retirement. For final compensation calculation, the system uses [compensation earnable](#).

25 Plus Years of Service 2% @ 60 Member (hired prior to January 1, 2013):

As a 2% @ 60 member of CalSTRS, member gets to use her highest year of compensation in her retirement calculation. The highest year compensation based on this scenario would be the compensation earnable in the 2020-21 school year, \$115,000.

Less than 25 Years of Service 2% @ 60 Member:

As a 2% @ 60 member of CalSTRS with less than 25 years of service, the member would have to use the average of their three highest consecutive years of compensation earnable to determine their final compensation.

$(\$112,746 + \$115,000 + \$115,000) / 3 = \mathbf{\$114,248 \text{ final compensation}}$

2% @ 62 Member (Hired after Jan 1, 2013):

As a 2% @ 62 member of CalSTRS, the member would have to use the average of their three highest consecutive years of service to determine their final compensation.

$(\$112,746 + \$115,000 + \$115,000) / 3 = \mathbf{\$114,248 \text{ final compensation}}$

Qualifying Reasons for FFCRA 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 other federal authorities.

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

Duration of Leave

For reasons 1 through 4 and 6 above: A full-time employee is eligible for up to 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 above: A full-time employee is eligible for up to 12 weeks of 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

For leave reasons 1, 2, or 3 above: Employees taking leave shall be paid 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 two-week period).

For leave reasons 4 or 6 above: Employees taking leave shall be paid at 2/3rds their regular rate or 2/3rds the applicable minimum wage, whichever is higher, up to \$200 per day and \$2,000 in the aggregate (over a two-week period).

For leave reason 5 above: After the first 10 work days (for which employee may use vacation, FFCRA emergency paid sick leave, or other available paid leave), employees taking leave shall be paid at 2/3rds their regular rate or 2/3rds the applicable minimum wage, whichever is higher, up to \$200 per day and \$10,000 in the aggregate for the remaining 10 weeks (for up to a 12-week period—two weeks of paid sick leave followed by up to 10 weeks of paid expanded family and medical leave).

Compensation Earnable

Compensation you would earn in a school year for creditable service performed on a full-time basis. This does not include service for which contributions are credited to your Defined Benefit Supplement account.

Compensation Earned

The total creditable compensation you earned in a school year.