



State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

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September 19, 2002

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2003-17

TO: All ISIS HR Paid Agencies

FROM: Jena W. Cary
Director

SUBJECT: Changes to Worker's Compensation Processing

ISIS HR Worker's Compensation procedures have been changed effective September 1, 2002. Refer to the September 13, 2002, ISIS HR Bulletin Board and to the On-Line Help procedures for details of the changes. The changes will be effective for any new worker's compensation leave that is entered beginning with September 1, 2002. For worker's compensation leave and buy backs for a time period prior to September 1, 2002, agencies must follow the old procedures.

This change was prompted due to a recent analysis of ISIS HR's handling of Worker's Compensation "buy back" which revealed problems if the employee's rate of pay changed after the worker's compensation claim was opened. According to information received from the Office of Risk Management (ORM), worker's compensation checks are issued using the rate of pay at the time of the injury. The following two problems have been identified regarding worker's compensation leave buy back when pay rate changes are involved:

- If an employee had a rate change and the agency used the rate of pay at the time of injury to determine the number of leave hours to buy back, ISIS HR incorrectly calculated the amount of taxable wages to adjust.
- If the agency used the rate of pay for the period being adjusted (incorrect rate according to the information from ORM), the amount of taxable wages was adjusted correctly; however, the number of leave hours calculated by the agency and adjusted in ISIS HR was incorrect.

Employees who may be affected by the above problems must be identified in order to correct tax information, including the 2001 W-2 if applicable, and/or process leave adjustments. Agencies must identify all employees who have had worker's compensation leave since 3/19/2001 by utilizing transaction code ZP64 (Wage Type Results). This should be run keying on wage types 0670 and 670A through 670F,

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personnel area, and the time period 03/19/2001 through the current date. (Note: This may have to be executed in the background for large agencies.) Once a list of employees with worker's compensation adjustments has been obtained, agencies should review employee file information and IT008 (Basic Pay) to determine if there has been a change in the rate of pay from the time of injury to the time that the worker's compensation adjustments were entered in ISIS HR. **If there has been a rate of pay change, agencies must gather all documentation for that employee and contact a member of the Wage and Tax Administration Unit of OSUP for assistance in determining whether an adjustment needs to be processed for taxable wages and/or leave balances.**

Agencies are reminded that Louisiana Revised Statute 49:308 directs agencies to immediately deposit all funds to the State Treasurer's Office. This includes worker's compensation checks. Refer to OSUP Memorandum #2002-09 (link below) for procedures on depositing the worker's compensation checks to AFS.

<http://www.doa.state.la.us/osup/memos/fy2002/02-09.pdf>

When balancing gross payroll to AFS, agencies must take into consideration the worker's compensation checks that have been deposited. Since the gross amount is not adjusted in ISIS HR when the worker's compensation adjustments are processed, agencies can utilize ZP64 as listed above to determine the total amount of taxable wages adjusted with wage types 0670 and 670A through 670F. That amount can then be matched back to the check that has been deposited into AFS.

Questions regarding processing worker's compensation adjustments in ISIS HR should be directed to the ISIS HR Help Desk. Questions regarding processing adjustments for employees identified with rate pay changes and all other questions should be directed to a member of the OSUP Wage and Tax Administration Unit (225):

Lawanna Green	342-0714	Rachel Bryant	342-1651
Dorothy Piazza	342-1652	Wendy Eggert	219-0191

JWC:APH:kmb