

A close-up photograph of a baseball bat and a baseball, with the bat's handle on the left and the ball on the right, set against a dark, warm-toned background.

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Office of State Uniform Payroll

Leave Buyback Frequently Asked Questions

Why was a Leave Buy Back Process Established?

- Civil Service Rule 11.21 States:
 - When an employee is absent from work due to disabilities for which he is entitled to workmen's compensation he
 - (a) shall, to the extent of the amount accrued to his credit, be granted sick leave not to exceed the amount necessary to receive total payments for leave and workmen's compensation equal to his regular salary.
 - (b) may, to the extent of the amount accrued to his credit, be granted annual leave or a combination of annual and sick leave not to exceed the amount necessary to receive total payments for leave and workmen's compensation equal to his regular salary.
 - (c) may be granted leave without pay.

What is the agency's responsibility regarding the Leave Buy Back Process?

- Agencies should have established procedures in place to handle worker's comp.
 - The procedures will be used as a tool to inform the employee of his/her rights and responsibilities while off due to a worker's comp injury.
 - Include details regarding the use of sick and annual leave, turning the check over to the agency for the re-purchase or buy back of worker's comp leave, handling of retirement contributions, and the payments of health, group life and miscellaneous insurance premiums.
 - The procedures should also include what will happen in the event the employee does not return the check to buy back leave.

What should the agency do when the Worker's Comp check is received?

- Worker's Comp Checks are made payable to the employee.
 - The checks are mailed to the agency; however, the check can be mailed to the employee at his/her request.
 - Once checks are received and endorsed, do not hold them. Checks should be deposited immediately.

How is Leave Buy Back Calculated?

- To determine the number of hours the worker's comp check will buy back, you must first get the Average Weekly Wage (AWW) from the Leave Buy Back Report.
- Next, divide the Average Weekly Wage by 40 hours to obtain an hourly rate.
- Divide the check amount by the calculated hourly rate to determine the number of hours the check CAN buy back.
- Any additional (or excess) funds are paid to the employee.
- If the employee is on leave without pay the entire pay period, the check does not have to be returned.

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Example

For pay period 05/2024, Lois Lane was on Worker's Comp leave the entire pay period. Worker's Comp has sent a check for \$799.95 for the period of February 19, 2024 through March 03, 2024.

Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su
19	20	21	22	23	24	25	26	27	28	29	01	02	03
8LD	8LD	8LD	8LD	8LD			8LD	8LD	8LD	8LD	8LD		

Check Amount \$799.95

AWW (Average Weekly Wage) is \$600.00

Determine the Hourly Rate. _____

Calculate number of hours check could buy back. _____ Hours

How many hours will be bought back? _____ Hours _____ \$ Value

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Example continued...

Check Amount: \$799.95

AWW (Average Weekly Wage) is \$600.00

Determine the Hourly Rate. \$15.00

Calculate number of hours check could buy back. 53.33 Hours

How many leave hours will be bought back? 53.33 Hours 799.95 \$ Value

To determine hourly rate, divide the AWW of 600.00 by 40 hours. You should get \$15.00/hour.

To determine the number of hours that could be reimbursed, take the check amount of \$799.95 and divide it by the hourly rate of \$15.00. You should come up with 53.33.

You can buy back 53.33 hours.

How does Workers' Comp payments affect the W-2?

- Worker's Comp payments are non-taxable and should not be reported on employee's W-2 as taxable wages.
- When the check is returned to buy back the leave, the taxable wages are reduced by the amount of leave being bought back.
- The employee will not receive a refund of taxes paid; however, taxes will be adjusted in current and/or future pay periods.
- Any excess funds are paid to the employee. These funds are non-taxable and will not be reported on the W-2 as taxable wages.

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When will Office of State Uniform Payroll (OSUP) offer Worker's Comp Training?

- After completion of updating training materials, and
- Coordination with Civil Service, the Office of Risk Management and the Office of Technology Services on when and how training will be presented.
- Stay tuned.



Reference Information

- OSUP website: <https://www.doa.la.gov/doa/osup/>
- State Agencies
- OSUP Workshop and Training Material
<https://www.doa.la.gov/doa/osup/state-agencies/workshop-training/>
- OSUP Worker's Compensation Procedure

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CONTACT INFORMATION

Direct all questions regarding the Leave Buy Back Process to the Office of State Uniform Payroll Wage and Tax Unit at _doa-osup-wta@la.gov

