Benefits Administration Letter

Number: 21-303

Date: April 2021

Subject: COVID-19 Emergency Paid Leave Reimbursement

Section 4001 of the American Rescue Plan Act of 2021 (Public Law 117-2), enacted on March 11, 2021, established a new category of paid leave for selected Federal employees. Eligibility for the leave is based on certain COVID-19-related qualifying circumstances. The Office of Personnel Management (OPM)'s "COVID-19 Emergency Paid Leave", Memorandum for Heads of Executive Departments and Agencies (Compensation Policy Memorandum (CPM) 2021-15) that provides necessary guidance, including a high-level summary of key features, detailed guidance, and templates is available at https://www.chcoc.gov/content/covid-19-emergency-paid-leave. This emergency paid leave (EPL) will be funded by a \$570 million Emergency Federal Employee Leave Fund, which will be administered by the Director of OPM. This letter informs agencies how they may seek reimbursements for emergency paid leave payments as described in section 4001.

Agencies with covered employees using emergency paid leave must submit requests for qualifying reimbursements to OPM, using the request form in Attachment A. Agencies must submit said requests via email to: <u>OPMARPAServices@opm.gov</u>. An agency may not submit a request for reimbursement unless the leave covered by the request has been used by the employee. Additionally, an agency request must be associated with completed pay periods.

Requesting Reimbursement Procedures:

Reimbursement is available for agency leave payments to covered employees in qualifying circumstances for leave used during the qualifying period from March 11 through September 30, 2021. Reimbursement is based on the gross value of the paid leave. It does not consider any benefit costs associated with basic pay generated by EPL.

- Complete the **Request for COVID-19 Emergency Paid Leave Reimbursement** Form in Attachment A after the completion of the biweekly pay period in which leave covered by the request was used. To assist OPM in monitoring the Fund, we recommend that agencies submit requests each biweekly pay period, rather than hold and consolidate requests that cover multiple biweekly pay periods. The request should specify the biweekly pay period, total number of leave hours covered, total number of employees using the covered leave, and total dollar value of the covered leave. The agency will maintain all related supporting documentation for audit purposes.
- OPM will remit the reimbursement payment to the agency via the Treasury Department's Intra-Governmental Payment and Collection (IPAC) mechanism. The reimbursement request should include one Treasury Account Symbol for the IPAC payment.

- When submitting a reimbursement claim to OPM, an authorized agency official must attest that, to the official's knowledge, the agency's established policies and procedures for implementing emergency paid leave are in compliance with section 4001 and OPM's supporting guidance. The request for reimbursement must be certified by an Authorizing Officer (i.e. the Chief Financial Officer or his/her Designee).
- The request must be submitted to OPM Office of the Chief Financial Officer via email at <u>OPMARPAServices@opm.gov</u>.
- All IPAC payments will be initiated by OPM.
- Agency reimbursement requests will be processed on a first-come, first-served basis, based on the date and time OPM receives each agency reimbursement request via email to OPM's Office of the Chief Financial Officer, as instructed above. If the Fund approaches the point where it will be exhausted, agency reimbursement requests will be processed on a first-come, first-served basis, based on the date and time OPM receives each agency reimbursement requests, subject to the rules in the following paragraphs.
 - a. For the purposes of applying the first-come/first-served protocol, OPM will not consider any agency reimbursement request in connection with a given biweekly pay period to be received prior to 12:00 noon on the second Friday following the end of that pay period—regardless of the actual day and time of receipt. OPM will not process agency reimbursement requests until after this earliest-allowed-receipt point in time. (This rule considers the fact that agencies have different payroll processing timeframes.)
 - b. An agency reimbursement request (or set of agency requests with the same receipt date/time) that exhausts the Fund will result in a partial reimbursement to the agency (or agencies). The partial reimbursement will be determined applying a proration percentage derived by dividing the remaining funds available by the total dollar value of the affected agency (or agencies') reimbursement requests. In this partial reimbursement scenario, OPM will organize agency claims by biweekly pay period. OPM will apply available funds to reimbursement claims for the earliest biweekly pay period, seeking to provide full reimbursement, until it identifies the earliest biweekly pay period for which there are insufficient funds to fully cover the reimbursement for claims associated with that period. OPM will provide partial reimbursement to claims associated with any later biweekly pay period and will provide no reimbursement to claims associated with any later biweekly pay period. When an agency receives a partial reimbursement, it will need to determine how to allocate available funds to cover (i.e., give final approval of) individual employee EPL claims that were conditionally granted.
- Agencies must inform employees that the granting of emergency paid leave to employees who meet the eligibility conditions is tentative and conditional upon monies being available in the Fund.
- If an agency's reimbursement request cannot be granted due to exhaustion of the Fund, the emergency paid leave conditionally granted to an employee by the agency must be cancelled. The affected period of time will be converted to a period of leave without pay (resulting in an overpayment) unless the employee elects, in accordance with the signed Employee Agreement (see Paragraph F.4 in Attachment 2, and Attachment 4 to the OPM's supporting guidance cited above), to apply other paid leave or paid time off available to the employee (including advanced annual leave or advanced sick leave, as

appropriate).

- Correction of errors When an agency discovers an error in a request for reimbursement that it has previously certified and submitted to OPM, the agency has to report the correction on a separate line on a subsequent reimbursement request. For example, if the agency granted an employee too many EPL hours but the agency had already received reimbursement from the Fund, the agency would report the overpayments in a separate line for each pay period on a subsequent reimbursement request as a negative amount (reduction) whether or not the agency is requesting new reimbursement. When OPM processes the reimbursement, the lines will show up as separate lines of IPAC.
- OPM will provide agencies with regular updates on the balance remaining in the Fund on OPM web site at https://www.opm.gov/policy-data-oversight/pay-leave/ARPA.

For questions about the new reimbursement request collection process, please contact the <u>OPMARPAServices@opm.gov</u>.

Dennis D. Coleman Chief Financial Officer

Attachments:

A.Request for COVID-19 Emergency Paid Leave Reimbursement Form B. Accounting Scenarios for the EPL Reimbursement