

PAY ADJUSTMENT FOR WORKERS' COMPENSATION

1153

(September 1988)

PAR documentation serves as the basis for requesting pay benefits and updating pay history for the injured employee. The STD 674 (TD) and 674D (IDL) are used to request pay or adjust pay already issued to the employee. Information requested on these forms must be consistent with information submitted on the PAR.

Documentation 674D To: (1) Request IDL pay, (2) Adjust any previous information submitted on 674D, (3) Return incorrect IDL payment. Before the STD 674D can be submitted to the controller's office, the documenting PAR(s) must have turned around (if submitted to controllers) or appear on the data base (if keyed by agency).

Processing STD 674D (IDL) A STD 674D must be submitted for each pay period for which the employee is authorized to receive benefits. The Payroll Procedures Manual, Section E, and specifically pages E 411 through E 413, gives a line item by line item account of what is required in completing a STD 674D.

Submission of STD 674D Send the original STD 674D to State Controller (payroll services). If this is an original pay request (no pay previously issued to employee), make one copy to stay with the comp case. In the case of a request for transfer of funds (pay issued to employee), make two copies, one to keep with the comp case and one to be sent to the department accounting office A/R desk.

Transfer of Funds (EIDL or IDL first 22 working dates only) In these two cases the transfer of funds (T/F) will generate a zero balance accounts receivable (A/R). The State Controller, Division of Disbursements, will send a Notice of Payroll Accounts Receivable for each A/R. Attach the notice of the A/R to STD 674D and file with the comp case.

Transfer of Funds (net balance) When the T/F generates an A/R with a net balance, as is the case with 2/3 IDL, the original of the notice of A/R is attached to the STD 674D in the comp case and a copy is made and sent to the employee to notify him/her of the pending collection.

Auditing SCIF money

When an employee has chosen temporary disability (TD) as his/her benefit choice, SCIF will send payments directly to the agency. In addition to the dollar amount, the check shows inclusive dates covered by the SCIF payment and the case number. The inclusive dates shown on the SCIF payment must be verified against previously documented PAR information. If the time on the SCIF check and PAR history do not match, PAR documentation is required.

SCIF is paid on a full-calendar daily rate basis, i.e., Saturday through Sunday. The employee's daily rate is computed by SCIF in accordance with employee's monthly salary rates.

The daily rate can be verified by dividing the total number of days shown on the SCIF check into the dollar amount of the check. If a discrepancy occurs, cause for the discrepancy must be ascertained. Reasons for changes in daily rate can be due to attorney's fee or an overpayment of previously issued SCIF money. For all discrepancies, contact the issuing SCIF office.

Processing of SCIF money

After the initial audit of the SCIF check, a determination must be made as to the handling of the funds. For full supplementation, a check listing PO-49 must be completed to place the SCIF money in the agency's general fund to be used to clear accounts receivables. The following information must be completed on the check listing:

- Employee's name.
- Social Security number.
- Check number.
- Total amount of money per check number. Money must be broken down by state pay periods showing inclusive dates of pay period and corresponding money amounts for that pay period.
- Employee position number.
- Indicate funds received from State Compensation Insurance Fund.

Employees on partial supplementation or no supplementation receive their checks from SCIF through the agency. The regional personnel assistant attaches a PO-12 to the check before it goes out to the employee. The PO-12 explains what

period of time the check covers and the amount of the check. A photocopy of the PO-12 and check are made and placed with the comp case.

Processing STD 674 (TD)

STD 674s are used to request either pay or adjustments to pay for temporary disability. One STD 674 documents full supplementation when an accounts receivable is needed (warrant issued). The other documents full supplementation (no warrant issued) and/or partial supplementation. A STD 674 must be submitted for each pay period that the employee is eligible for compensation benefits. The Payroll Procedures Manual, Section E 300, and specifically pages E 311 through E 312, gives a line by line item account of what is required in completing an STD 674 full supplementation accounts receivable document, while pages E 312 through E 312 (cont. 3) give an accounting of items required for supplementation pay.

Auditing TD A/Rs

The notice of payroll accounts receivable will indicate the net of the TD A/R and the retirement amount to be remitted to the employee.

The A/R desk in the department accounting office has a listing (record of collections) which should match the check listing prepared by the personnel assistant. The record of collections has a monthly breakdown of days on TD and money corresponding to these dates. See sample 1a.

When you can clear the accounts receivable through the accounting office, a check reimbursing the employee for the prepaid retirement amount must be prepared in favor of the employee.

The revolving fund check must be verified against the A/R and the STD 674 to ensure that the check is correct.

Accounting must not borrow money from another pay period to clear an accounts receivable. If there are sufficient funds to clear the TD accounts receivable, the STD 674 and SCIF payment must be audited to find the discrepancy.

To clear the A/R, take the gross of the SCIF payment and write it (in red) above accounts receivable net as shown on the A/R half-sheet. The sum should be equal to the retirement amount to be reimbursed to employee. Write "cleared," then date and initial.

FORMS AND/OR FORMS SAMPLES: RETURN TO ISSUANCE HOME PAGE FOR FORMS/FORMS SAMPLES SITE LINK.

[\(see next section\)](#)

[\(see Table of Contents\)](#)