

## Start Here!

ELM 512.923 & 543.42.f **Leave Buy-Back**

Under the provisions of the Federal Employees Compensation Act, current employees may be permitted to buy back sick and/or annual leave they used while awaiting adjudication of their cases. Please remember, the request will only be honored for leave was taken before the claim was approved.

The buy-back must be initiated within 1 year of the return to duty, or within 1 year of the date OWCP approved the claim, whichever is later.

**Forms needed — available online at [wmal.org](http://wmal.org) (click on Workers Comp, FECA)**

- CA 7** Claim for Compensation
- CA 7a** Time Analysis Form (details each day leave was used)
- CA 7b** Leave Buy-Back Worksheet; Certification and Election (management completes most of this form).

## Leave Buy-Back Process

Keep in mind, the leave you buy back is converted into LWOP. For every 80 hours of LWOP, you lose AL and SL equal to what you earn in one pay period. See ELM 512.923.c

Disclaimer: This flow chart is meant to be a basic guide. Seek professional advice from the USPS or OWCP before proceeding.

**Jennifer Amos, Western Michigan Area Local and Michigan Postal Worker Union**

Your postmaster/supervisor will certify and forward completed forms to an Injury Comp Specialist in your district. You will soon get form CA 7b back from the that injury comp specialist with an estimate of what it may cost to buy back your leave. It's just an estimate; the actual cost will be determined later after OWCP (Dept of Labor) determines how much compensation you will collect from them. If you want to proceed with the buy back, you must submit the signed CA 7b. If you don't sign it, the process will discontinue.

Ex. If your actual pay for one week is \$1000 straight rate, \$100 Sunday premium and \$40 night differential, you could be eligible for \$1140 in OWCP compensation for each week of leave you buy back.

**However**, you only get 75% of that figure if you have a dependant (including wife), and 66.6% if you don't have a dependant — but, taxes are not withheld — bonus, right?

At this time, OWCP sends Eagan a check equal to your compensation. If it's more than what Eagan said it would take to buy back your leave, you'll receive a refund from Eagan. If OWCP compensation is less than what Eagan said it would take, then you'll owe and will receive a corrected invoice that must be paid before having your leave restored.

*Clear as mud?*

Once Eagan determines you need \$750 to buy back your leave, they send that figure to OWCP.

**Remember: Eagan uses straight rate to assess what you owe while OWCP calculates actual wage loss. Don't get the two methods mixed up.**

OWCP takes the figures from page two of the CA 7 you filed to determine how much you are eligible to collect. If you work nights and weekends you will receive straight pay as well as premiums, (night differential and Sunday premium). **BUT — NOT.** Of course, if you don't work nights and weekends you'll simply get straight rate without any premiums (see ex. above).

Your signed form CA 7b goes to the USPS Eagan Acct Office where they will generate an invoice with an exact amount you'll need to buy-back your leave. **DO NOT** pay this amount — you'll receive a corrected invoice later after OWCP pays their share. At this point you are still able to withdraw your request.

Eagan calculates the amount required to buy back your leave using straight rate, without premiums, since that's what you were originally paid when you used the leave. The cool thing is, you are given credit for non-refundable taxes already paid.

Ex. If you were initially paid \$1000 for one week of annual/sick leave and \$250 was withheld for taxes, you only repay \$750 to buy back that same \$1000 worth of leave.