

# MEMO

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**TO:** All Parish Business Managers and Pastors

**FROM:** Keegan O'Rourke, *Executive Director of Operations and HR*

**DATE:** September 21, 2023

**SUBJECT:** CO FAMLI Updates

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As you are aware, the state of Colorado passed a new law to provide **paid** leave of absence for employees - CO FAMLI (similar to and in line with the approved leave of absence reasons under the Family Medical Leave Act - FMLA, but more robust than that law). This past January, employers and employees began paying into the program. Please see prior archived communications on this topic in Knowledgebase or at the FAMLI website here for more information: [Home | Family and Medical Leave Insurance \(colorado.gov\)](#).

The purpose of this memo is to give a **threefold update**:

1. We still have 15 locations who have NOT registered Paycom to have Third Party Access on the FAMLI employer portal (see below link for locations who have not completed this step). The consequences of this are:
  - a. Paycom is not able to remit your tax funds for this program to the state that were due starting (and ongoing) at the end of April.
  - b. Which means **you are out of compliance with the state and could face fines for non-compliance.**
  - c. If this is your parish, please rectify this IMMEDIATELY. We send out a memo with steps to do this in the spring, which is on Knowledgebase here. You can Submit and Inquiry with Paycom if you have issues.
2. We have confirmation from Paycom that they are aware of the change in how the tax is being procured (from post deduction wages to pre-tax - gross wages) and will have the system configured appropriately by January 1, 2024, when the change happens.
3. We had previously sent out communications regarding looking into options for a private plan for FAMLI in place of the government administered plan. However, after reviewing our options, **we have decided to leave the**

**current set up with our parishes/ministries using the CO State portal for administration of FAMLI for our employees.** The reasons are thus:

- a. The costs of moving the administration to a private plan are initially going to be more expensive than the current state taxes being charged. Additionally, while the state has a legally binding upper limit on how much the tax can increase, a private plan could potentially increase significantly past that amount (in proportion) in future years depending on the utilization from our employees (which is simply an estimate at this point since the law is new). All told, the private option is financially a sound option currently (we will continue to reevaluate if things change).
- b. The administrative paperwork to receive an exemption to the standard state FAMLI tax (due in October), is significant enough we determined it could cause a hurdle too high to overcome in time to be compliant. Additionally, there would be significant additional administrative work to move to the plan prior to the new calendar year.
- c. Finally, if we moved to a private plan, we are required to stay on that plan for 3 years. So, even if the costs became prohibitive, we would have no recourse to moving back to the state plan.

SO, for the time being, we will keep our parishes/ministries and employees set up with the state plan. What that means for your employees is this: if they need to take a leave of absence under one of the approved reasons for taking leave, (once benefits become available on January 1, 2024), employees will apply for FAMLI leave directly with the State similar to how they would file a claim for Unemployment Insurance. *\*Please note, FAMLI and FMLA are meant to run concurrently, so if your employee wants to file for FMLA, please let them know they may be eligible for FAMLI.*

Please be sure to read the FAMLI website for the most useful resources for you and your employees, FAQs, and required posters to post at your location.

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If you have questions, as always, please reach out to [people.support@archden.org](mailto:people.support@archden.org).