


**THE CALIFORNIA STATE UNIVERSITY**  
**Office of the Chancellor**  
**401 Golden Shore**  
**Long Beach, California 90802-4210**  
**(562) 951-4411**

**Date:** October 29, 2004 **Code: TECHNICAL LETTER**  
**HR/Salary 2004-22**

**To:** Human Resources Directors **Reference: HR 2003-28**  
Payroll Managers

**From:** Cathy Robinson, Assistant Vice Chancellor   
Human Resources Administration

**Subject:** **REMINDER: 2004 "Table of Workdays" Reconciliation Requirements**

Coded memo HR 2003-28 advised campuses of certain recordkeeping and payment requirements for employees subject to Fair Labor Standards Act (FLSA) regulations who are assigned to work week schedules that do not conform to the standard pay periods prescribed by the Department of Finance. Specific guidelines and instructions were provided to ensure FLSA compliance, including administration of the "table of workdays" method (also referred to as "plus/minus" or "excess/minus"). This method is used to maintain an accounting of deficits (debits) or excess hours (credits), as appropriate, for employees whose work schedules differ from the State's standard shift (Monday through Friday, eight hours per day).<sup>1</sup>

The FLSA provides certain record-keeping requirements for employees subject to FLSA, including the prompt payment of wages and payment of an employee's minimum wages for all work actually performed in a given pay period. As a result, HR 2003-28 instructed campuses to review their current practices to ensure that requirements specific to recordkeeping and the administration of "excess" and/or "deficit" hour balances were satisfied.

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<sup>1</sup> "Credits/excess hours" are regularly scheduled hours worked in excess of standard hours within a given pay period. "Debits/deficit hours" are regularly scheduled hours not worked by the employee within a given pay period that were paid by the employer.

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**Distribution:**

CSU Presidents  
Vice Chancellor, Human Resources  
Vice Presidents, Administration

Employee Relations Designees  
Director, SOSS

As a reminder, all campuses shall reconcile employees' deficit hours at least once each calendar year in December and report to the Vice Chancellor of Human Resources each January.

**December 2004 Reconciliation Requirements:**

December 2004 marks the first reconciliation period for which a reporting requirement must be made to the Vice Chancellor of Human Resources. It is important to note that the December 2004 reconciliation may incorporate two separate timeframes:

- The first timeline (for deficit balances incurred through December 2003) was extended to December 2004. This one-time-only arrangement permitted campuses to work with employees to reconcile deficit balances incurred through December 2003 pay period by December 31, 2004. The deficit hours incurred through December 2003 could be maintained separately from deficit hours generated beginning with the January 2004 pay period and thereafter. The one-time-only arrangement is separate and apart from the general requirement that deficit hours be reconciled each December for the respective calendar year.
- The second December 2004 reconciliation timeline is the standard timeline, which requires an annual December reconciliation. In the standard timeline, campuses are required to reconcile any deficits incurred from January through December each December. In this specific instance, campuses are required to reconcile deficits incurred from January through December 2004 by December 2004.

Please note that details specific to the reconciliation of deficit hours for affected employees represented by the Academic Professionals of California (Unit 4) and State University Police Association (SUPA/Unit 8) bargaining units remain in progress. As a result, affected Unit 4 and Unit 8 employees with deficit hour balances may continue to have these balances roll forward into 2005 unless these hours are otherwise offset by excess hours as noted in HR 2003-28. (Specifically, deficit hours will be offset by any excess number of hours [credits] worked in a subsequent pay period, as appropriate. The employee will not be paid for excess hours worked in a pay period when an equal or greater deficit hour balance exists.)

**Report deficit hours to the attention of Theresa Hines via e-mail at [thines@calstate.edu](mailto:thines@calstate.edu) by January 31, 2005. Deficit hours for Unit 4 and Unit 8 employees also should be reported, even though their deficit balances will roll forward, as noted previously.**

**Please report the deficit hours in the reporting format provided in Attachment A. A sample on how to complete the report is provided for your reference. If there are no deficit hours to report for your campus, please submit the report and indicate "NONE TO REPORT." Thank you.**

Questions may be directed to Systemwide Human Resources at (562) 951-4411. This technical letter is available on Human Resources Administration's Web page at: <http://www.calstate.edu/HRAdm/memos.shtml>.

## SAMPLE

### Deficit Hours Reconciliation Report

CAMPUS: \_\_\_\_\_  
 CONTACT NAME: \_\_\_\_\_  
 CONTACT PHONE: \_\_\_\_\_  
 CONTACT E-MAIL: \_\_\_\_\_

*Return completed report to Theresa Hines via e-mail at: [thines@calstate.edu](mailto:thines@calstate.edu) by January 31, 2005.*

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Unit	Employee Name (Last, First Initial)	Class/Job Code	2003 Deficit Hours Remaining	2004 Deficit Hours	Total Deficit Hours	Hourly Rate <sup>2</sup>	Leave Hours Used to Offset <sup>3</sup>	Accounts Receivable Amount Due
<i>Sample Format:</i>								
Unit 4	Library, A	2895	n/a	10	10	17.31	n/a	n/a
Unit 5	Custodian, L	2015	8	16	24	14.42	24	n/a
Unit 7	Parking, O	8810	10	20	30	17.31	20	\$173.10
Unit 8	Officer, P	8350	12	24	36	23.94	n/a	n/a
Unit 8	Sergeant, M	8354	n/a	48	48	30.32	n/a	n/a
Unit 9	Special, O	0450	n/a	30	30	19.62	18	\$235.44

<sup>[2]</sup> Hourly Rate Equivalent = (Full Time Equivalent) Base Salary /173.33 hours, rounded two decimals. For example, the monthly base salary for \$14.42/hr. = \$2,500, for \$17.31/hr. = \$3,000, for \$19.62/hr. = \$3,400, for \$23.94/hr. = \$4,150, and for \$30.32/hr. = \$5,255.

<sup>[3]</sup> Pursuant to HR 2003-28, leave balances used to offset deficit hours may include vacation and compensatory time off (CTO) hours. "Holiday Credit" leave balances acquired under prior collective bargaining contract provisions or CSU policy also may be used. Sick leave hours are not eligible for supplementation for regular work hours unless the employee is sick. As a reminder, the minimum increment for Personal Holiday hours is "one unit" which equates to one day of an employee's regular work schedule.

