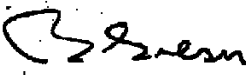


Office of the Chancellor  
401 Golden Shore, 4<sup>th</sup> Floor ♦ Long Beach, CA 90802-4210  
562-951-4411 ♦ email: [hadmin@calstate.edu](mailto:hadmin@calstate.edu)

Date: November 30, 2007 Code: TECHNICAL LETTER  
HR/Salary 2007-26

To: Human Resource Directors  
Payroll Managers Reference: HR 2003-28

From: Bruce J. Gibson   
Interim Senior Director Reply by: February 29, 2008  
Human Resources Administration

Subject: REMINDER: 2007 "Table of Workdays" Reconciliation Requirements

Overview

Audience: Campus Payroll Managers or designees responsible for deficit hour reconciliation

Action Item: Provide annual deficit hours reconciliation report to Interim Vice Chancellor of Human Resources by February 29, 2008

Affected Employee Groups/Units: Non-exempt employees on alternative/compressed work schedules

Summary

This Technical Letter provides information to campus payroll managers, or designees responsible for deficit hour reconciliation, regarding the annual December review requirement for reconciling deficit hours for non-exempt employees whose work schedules differ from the State's standard shift (Monday through Friday, eight hours per day). The campus payroll manager, or designee responsible for deficit hour reconciliation, should review the remainder of this technical letter for background information, reconciliation requirements, and sample reports.

Background

Coded memo HR 2003-28 advised campuses of certain recordkeeping and payment requirements for non-exempt 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

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**Distribution:**

CSU Presidents  
Vice Chancellor, Human Resources  
Employee Relations Designees

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.

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

### **December 2007 Reconciliation Requirements**

***December 2007 Reconciliation:*** The December 2007 reconciliation timeline is the standard timeline. In consideration of campus leave posting practices, campuses are requested to reconcile deficit balances incurred from January through December 2007 and to furnish the required report to the Vice Chancellor of Human Resources by February 29, 2008.

***State University Police Association (SUPA):*** As noted in Technical Letter HR/Salary 2006-22, deficit hour balances incurred under the "first" (for 2006) and "standard" (for 2007) timelines must be included in the December 2007 reconciliation. Refer to Technical Letter HR/Salary 2006-22 for details regarding the "first" and "standard" timelines (<http://www.calstate.edu/HRAdm/pdf2006/TL-SA2006-22.pdf>).

### **Action Item**

Report deficit hours to the attention of Valerie Kerbs via e-mail at [vkerbs@calstate.edu](mailto:vkerbs@calstate.edu) by February 29, 2008. Please report the deficit hours in the reporting format provided in Attachment A, which includes a sample on how to complete the report. If there are no deficit hours to report for your campus, please submit the report and indicate "NONE TO REPORT."

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

BJG/vk

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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.

**SAMPLE**

**2007 Deficit Hours Reconciliation Report**

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

*Return completed report to Valerie Kerbs via e-mail at: [vkerbs@calstate.edu](mailto:vkerbs@calstate.edu) by February 29, 2008.*

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Unit	Employee Name (Last, First Initial)	Class/Job Code	2006 Deficit Hours (if applicable)	2007 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	10	10	20	17.31	20	n/a
Unit 5	Custodian, L	2015	n/a	16	16	14.42	n/a	\$230.72
Unit 7	Parking, O	8810	n/a	20	20	17.31	20	n/a
Unit 8	Officer, P	8350	10	24	34	23.94	34	n/a
Unit 8	Sergeant, M	8354	n/a	48	48	30.32	48	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.

