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Date: December 4, 2008 Code: TECHNICAL LETTER
HR/Salary 2008-12

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

From: Evelyn Nazario 
Senior Director, Compensation Reply by: February 27, 2009
Human Resources Administration

Subject: REMINDER: 2008 "Table of Workdays" Reconciliation Requirements

Overview

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

Action Item: Provide annual deficit hours reconciliation report to Vice Chancellor of Human Resources by February 27, 2009

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

Summary

This Technical Letter provides information 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 reporting, 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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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).¹

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 2008 Reconciliation Requirements

December 2008 Reconciliation: The December 2008 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 2008 and to furnish the required report to the Vice Chancellor of Human Resources by February.

Action Item

Report deficit hours to the attention of Valerie Kerbs via e-mail at vkerbs@calstate.edu by Friday, February 27, 2009. 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>.

Attachment

EN/vk

¹ "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
2008 Deficit Hours Reconciliation Report

CAMPUS: _____
CONTACT NAME: _____
CONTACT PHONE: _____
CONTACT E-MAIL: _____

Return completed report to Valerie Kerbs via e-mail at: ykerbs@calstate.edu by February 27, 2009.

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Unit	Employee Name (Last, First Initial)	Class/Job Code	Total Deficit Hours	Hourly Rate ²	Leave Hours Used to Offset ³	Accounts Receivable Amount Due
<i>Sample Format:</i>						
Unit 4	Library, A	2895	10	17.31	10	n/a
Unit 5	Custodian, L	2015	16	14.42	n/a	\$230.72
Unit 7	Parking, O	8810	20	17.31	20	n/a
Unit 8	Officer, P	8350	24	23.94	24	n/a
Unit 8	Sergeant, M	8354	48	30.32	48	n/a
Unit 9	Special, O	0450	30	19.62	18	\$235.44

^[2] 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.

^[3] 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.

