



**Department of
Education**

Carmen Fariña, Chancellor

PAYROLL ADMINISTRATION MEMORANDUM

2013-2014

No. 13



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TO: CFN Deputy Directors (via e-mail)
Principals (via "Principals' Weekly Newsletter")
Payroll Secretaries/Timekeepers (via e-mail)

FROM: Francine Perkins-Colón *F. Perkins-Colón*

Subject: **Summer Service Processing & Vacation Pay Calculation for Nurses, Therapists and Sign Language Interpreters, 10-Month Employees**

This memorandum discusses the processes and protocols associated with vacation and summer pay for nurses, therapists and sign language interpreters.

Summer Service Processing
10 Month UFT Administrative Employees

- Annual employees who work during the summer vacation period – 6/27/2014 – 9/1/2014 - will be paid at an hourly rate equal to 1/1213 of their annual salary;
- These payments will be issued in separate checks; and either:
 - Delivered to the same location as the employees' annual pay checks, or,
 - Issued via Direct Deposit for those employees who are currently enrolled in the Electronic Fund Transfer (EFT).
- The timekeeping schedule for the summer is as follows:

Summer Service Period	Cybershift Close Dates	Check Date
6/27 – 7/5/14	7/7/14	7/18/14
7/6 – 7/19/14	7/21/14	8/1/14
7/20 – 8/2/14	8/4/14	8/15/14
8/3 – 8/16/14	8/18/14	8/29/14

Vacation Pay Calculation

- Per the current contract, all annual nurses, therapists, and sign language interpreters work a 10-month year, and are paid over a 12-month period
 - For the summer vacation period - 6/27/2014 - 9/1/2014, the above referenced annual employees, who have no break in service, will continue to receive their *standard* biweekly paychecks.

- Hourly employees are not entitled to receive vacation pay;
 - These employees will be paid, on 7/18/14 for service rendered through 6/26/14.
 - Only those hourly employees working during the summer vacation period will receive checks beyond this date.
 - The hourly summer service timekeeping schedule is the same as the annual population, as outlined in the table above.
 - Summer service checks will be distributed on the following dates: 7/18, 8/1, 8/15, and 8/29/14.

Prorated Vacation Pay Entitlement for Annual Employees with a Break in Service

- Annual employees, hired *after* September 3, 2013, or on an *unpaid* Leave of Absence during the school year, are eligible for a prorated vacation pay entitlement, covering the period 6/27/14 through 9/1/14.
- The variables for the computation of summer pay entitlement are the following:
 - Number of days in the calendar year = 365
 - Number of work-days in bi-weekly pay period = 10
 - Number of summer vacation pay days (2014) = 47
 - Bi-weekly salary = Annual salary ÷ number of days in the calendar year times the number of calendar days in a two-week period
 - NOTE: Vacation Factor = (# of vacation days ÷ # of school days)
(47 days ÷ 185 days = A vacation factor of .254)

The following three examples are provided to illustrate the prorating methodology discussed above:

Example #1

- John Smith is hired effective 11/8/13, and has an annual salary of \$50,000, and he serves through 6/26/14; therefore,
- This employee is eligible to receive 80% of the vacation pay entitlement.
 - Entitlement is computed at 10% for each month of service covering the period of September through June.
 - An employee must serve more than 15 calendar days in a month for eligibility.
 - The adjustment will be deducted over the four summer checks to be issued on:
 - July 18th, August 1st, August 15th, and August 29th of 2014.
- Annual salary \$50,000 ÷ 365 calendar days X 14 days ÷ 10 work days = \$191.78 daily pay rate.
- The 2013/2014 school year vacation period is 47 days.
- Vacation entitlement is computed as:
 - \$50,000 ÷ 365 X 14 ÷ 10 X 47 days = \$9,013.70
 - \$191.78 X 47 days X 80% entitlement = \$7,210.93
 - Total Deduction \$1,802.77
- A deduction will be taken in four installments of \$450.69 on:
 - July 18th, August 1st, August 15th, and August 29th of 2014.

Example #2

- Jane Smith works throughout the school year at an annual salary of \$50,000, she resigned on 4/1/14.
- She would receive a vacation pay entitlement of \$6,309.56;
 - Equal to 70%, in a lump sum to be distributed on *June 26, 2014*.
 - \$50,000 ÷ 365 X 14 ÷ 10 = \$191.78 per work day
 - \$191.78 X 47 days X 70% = \$6,309.56

Example #3

- Joan Smith was on an unpaid leave of absence for the period of 2/28/14 through 4/10/14:
 - This period is equal to 30 school days;
 - She would receive a reduction of 7.62 vacation days;
 - \$1,461.36 will be deducted over the four pay checks to be issued on:
 - July 18th, August 1st, August 15th, and August 29th of 2014.
 - $30 \text{ days} \times .254 \text{ (vacation factor)} = 7.62 \text{ days of vacation pay adjustment; therefore:}$
 - $\text{Annual salary of } \$50,000 \div 365 \times 14 \div 10 = \$191.78 \text{ daily rate of pay}$
 - $\$191.78 \times 7.62 = \$1,461.36.$
 - Vacation pay reduction in four equal deductions of \$365.34.

If you have any questions regarding the processes or protocols outlined above, please call Brian Weekes, Director of Administrative Payroll at 718-935-2201.

FPC/mw

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