



**Department of
Education**

Carmen Fariña, Chancellor

PAYROLL ADMINISTRATION MEMORANDUM

2014 – 2015

No. 13



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DATE: May 29, 2015

TO: CFN Deputy Directors (via e-mail)
Principals (via “Principals’ Weekly Newsletter”)
Payroll Secretaries/Timekeepers (via e-mail)

FROM: Francine 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 – 6/29/2015 – 9/7/2015 - 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
6/29 - 7/4/15	7/6/15	7/17/15
7/5 – 7/18/15	7/20/15	7/31/15
7/19 – 8/1/15	8/3/15	8/14/15
8/2 – 8/15/15	8/17/15	8/28/15

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 - 6/29/2015 - 9/7/2015, 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 7/17/15 for service rendered through 6/26/15.
 - 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: 7/17, 7/31, 8/14, and 8/28/15.

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

- Annual employees, hired *after* September 2, 2014, or on an *unpaid* Leave of Absence during the school year, are eligible for a prorated vacation pay entitlement, covering the period 6/29/15 through 9/7/15.
- 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 (2015) = 51
 - 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)
(51 days ÷ 187 days = A vacation factor of .273)

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

Example #1

- John Smith is hired effective 11/7/14, and has an annual salary of \$50,000, and he serves through 6/26/15; 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 17th, July 31st, August 14th, and August 28th of 2015.
- Annual salary \$50,000 ÷ 365 calendar days X 14 days ÷ 10 work days = \$191.78 daily pay rate.
- The 2014/2015 school year vacation period is 51 days.
- Vacation entitlement is computed as:
 - $\$50,000 \div 365 \times 14 \div 10 \times 51 \text{ days} = \$9,780.82$
 - $\$191.78 \times 51 \text{ days} \times 80\% \text{ entitlement} = \underline{\$7,824.62}$
 - Total Deduction \$1,956.20
- A deduction will be taken in four installments of \$489.05 on:
 - July 17th, July 31st, August 14th, and August 28th of 2015.

Example #2

- Jane Smith works throughout the school year at an annual salary of \$50,000, she resigned on 4/1/15.
- She would receive a vacation pay entitlement of \$6,846.55;
 - Equal to 70%, in a lump sum to be distributed on *June 26, 2015*.
 - $\$50,000 \div 365 \times 14 \div 10 = \191.78 per work day
 - $\$191.78 \times 51 \text{ days} \times 70\% = \$6,846.55$

Example #3

- Joan Smith was on an unpaid leave of absence for the period of 3/2/15 through 4/13/15:
 - This period is equal to 30 school days;
 - She would receive a reduction of 8.19 vacation days;
 - \$1,570.68 will be deducted over the four pay checks to be issued on:
 - July 17th, Jul 31st, August 14th, and August 28th of 20154.
 - 30 days X .273 (vacation factor) = 8.19 days of vacation pay adjustment; therefore:
 - Annual salary of \$50,000 ÷ 365 X 14 ÷ 10 = \$191.78 daily rate of pay
 - \$191.78 X 8.19 = \$1,570.68.
 - Vacation pay reduction in four equal deductions of \$392.67.

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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