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Date: October 17, 2000

Code: TECHNICAL LETTER
HR/SA 2000-20

To: Human Resources Directors
Payroll Managers

From: Cathy Robinson, Senior Director
Human Resources Administration

Subject: **Shift Differential - Pay Requirements**

As a reminder, when an employee is assigned to a work schedule requiring the payment of shift differential, the pay differential is added to the employee's base pay to create an adjusted "regular" pay rate:

1. Employee sick leave, vacation, and overtime (if eligible) rates must be calculated based upon the employee's adjusted regular rate (base pay + shift differential).

2. Employees on sick leave or vacation should receive the same rate of pay they would have earned when actively at work.

3. Overtime calculations are also based upon an adjusted regular rate.

All employee groups, both represented and nonrepresented, that incorporate shift differentials into assigned work schedules are subject to these requirements. Please refer to FSA 71-46 and the appropriate collective bargaining agreement.

If you have any questions, please contact Pamela Chapin in Human Resources Administration at (562) 951-4414. This technical letter is also available on the Human Resources Administration's web page at: http:/www.calstate.edu/tier3/HR-Adm/memos.html.

CR/pc

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