

Date: August 9, 2010

Code: TECHNICAL LETTER
HR/Salary 2010-17

To: Payroll Managers
Human Resources Directors
Associate Vice Presidents/Deans of Faculty Affairs

From: Evelyn Nazario 
Assistant Vice Chancellor
Human Resources Management

Subject: Clarification on Holiday Provisions: Work Schedules that Cross Two Calendar Days and Alternate Days Off

<u>Overview</u>	
Audience:	Campus Payroll Managers, Human Resource Directors, AVP/Deans of Faculty and/or campus designees responsible for payroll administrative issues.
Action Item:	Information Only
Affected Employee Group(s)/Unit(s)	Management and staff responsible for campus payroll administration
<u>Summary</u>	
This technical letter provides clarification on the following holiday-related provisions: (1) when work shifts cross two calendar days and; (2) Alternate Day Off (ADO). Campus Human Resources management and personnel responsible for campus payroll administration should review the details of this technical letter.	

This technical letter is written to address campus inquiries about how holiday pay should be applied when an employee's work shift crosses over two (2) calendar days and to provide clarification on the eligibility and application of Alternate Day Off (ADO) provisions.

Employees on Work Shifts that Cross Two Calendar Days:

Definitions:

The terms "day," "workday," "work shift," "work time" (and others) define the timeline in which an employee is scheduled for work to perform authorized services for the CSU. Some bargaining agreements, such as the one with the California State University Employees' Union (CSUEU Units 2, 5, 7, and 9), provide a more definitive description on what constitutes a work day than others. For example:

- CSUEU defines "workday" as "the hours an employee is scheduled for work on any one calendar day, or it may consist of consecutive hours an employee is scheduled to work over two (2) consecutive calendar days when the scheduled hours cross midnight."

Distribution:

CSU Presidents
Vice Chancellor, Human Resources
Vice Presidents, Administration
Vice Presidents, Academic Affairs

Benefits Officers
Labor Relations Representatives

- While the State University Police Association (SUPA Unit 8) defines “day” as a calendar day, they provide for day, evening and graveyard shifts where a work shift may continue past midnight, crossing two (2) calendar days.
- The State Employees Trade Council (SETC Unit 6) defines “work day” as “the hours an employee is scheduled for work on any one calendar day,” however, they also provide for day, swing and graveyard shifts where one work shift may continue past midnight and cross two (2) calendar days.

Holiday Provision:

When an employee is assigned to any work shift, the broadest scope of the holiday provision should be applied. For the holiday observance, it is intended that:

- Campuses clearly identify the work shift designated for the holiday observance. Understanding that campus practices may vary, it is important that the established practice be consistently applied within a campus.
- All hours of the employee’s regularly scheduled work shift be regarded for the holiday observance, even when a portion of the shift is worked on a calendar day that is not the observed holiday;
- The holiday observance is based upon consecutive hours scheduled for that work shift. The holiday observance should not be based upon hours scheduled over two (2) separate shifts in the same calendar day.

Examples:

Scenario #1:

An employee’s 5/40 work schedule begins Sunday through Thursday from 10:00 pm to 7:00 am. The holiday is observed on Monday. In this instance, the campus should define the holiday observance as all time (excluding lunch) on either:

Sunday: for the work shift period beginning 10:00 pm Sunday and ending Monday at 7:00 am;

OR

Monday: for the work shift period beginning 10:00 pm Monday and ending Tuesday at 7:00 am.

Scenario #2:

An employee’s 4/10 work schedule begins Monday through Thursday from 8:00 pm to 7:00 am. The holiday is observed on Wednesday. In this instance, the campus should define the holiday observance as all time (excluding lunch break) on either:

Tuesday: for the work shift period beginning 8:00 pm Tuesday and ending Wednesday at 7:00 am

OR

Wednesday: for the work shift period beginning 8:00 pm Wednesday and ending Thursday at 7:00 am

Scenario #3:

An employee’s 3/12 work schedule begins Monday through Wednesday from 6:00 pm to 7:00 am, in the first week of the two week work period. The holiday is observed on Tuesday. In this instance, the campus should define the holiday observance as all time (excluding lunch break) on either:

Monday: for the work shift period beginning 6:00 pm Monday and ending Tuesday at 7:00 am

OR

Tuesday: for the work shift period beginning 6:00 pm Tuesday and ending Wednesday at 7:00 am.

Scenario #4:

An employee’s 5/40 work schedule begins Sunday through Thursday from midnight to 9:00 am. The holiday is observed on Thursday. In this instance, the campus should define the holiday observance as all time (excluding lunch break) on:

Wednesday: for the work shift period beginning at midnight and ending Thursday at 9:00 am.

Clarification on Alternate Day Off (ADO) Provisions:

Definitions:

Employees assigned to alternate or compressed work week schedules sometimes are not able to observe a scheduled holiday with the rest of the campus because they are not scheduled to work on the day of the holiday observance. Affected employees are entitled to observe the holiday on another scheduled workday.

- "Alternate" work schedules are typically eight (8) hour day schedules on days that are outside of the "traditional" Monday through Friday workweek. For example, an employee on a 5/40 work schedule is regularly assigned to work Friday through Tuesday, with Wednesday and Thursday as their regular days off.
- "Compressed" work schedules are extended work days over a compressed number of days in the respective work week period, for example, 4/10, 3/12, and 9/80 work schedules. These schedules may also be outside of the "traditional" Monday through Friday work week, pursuant to the respective bargaining agreement or CSU policy for non-represented employee groups.
- The timeframe in which the employee can take the alternate day off extends from 90 to 180 days from the date of the holiday observance, pursuant to the respective employee unit. Employee units with ADO provisions are noted below:

Eligible Employee Units:

Confidential (C99): Must be used within 90 days after the holiday was observed at the campus or it will be forfeited. Applies to non-exempt employees. [Reference: [HR Letter 2004-37](#)]

CSUEU (Units 2, 5, 7, and 9): The holiday must be used within 180 days after the holiday was observed. If an employee was unable to take the holiday within 180 days due to operational need, the employee shall be paid for the holiday. [Provision 14.16(b,c).] Applies to exempt and non-exempt employees. If ADO is approved to be paid out instead of used, process via earnings ID "OF5." The payment will be regarded as an overtime payment, not subject to retirement and taxed at the flat rate method at the "straight time" (1.0 factor) rate.

APC (Unit 4): This holiday must be rescheduled by agreement of the employee and the University and used within 90 days after the holiday was observed [Provision 25.4.] Applies to exempt and non-exempt employees.

SETC (Unit 6): This holiday shall be used within 90 days after the holiday was officially observed, on a day mutually agreed to by the employee and the appropriate administrator, so that the holiday shall not be lost [Provision 17.13(b).] All SETC classifications are non-exempt.

ADO and Part Time Work Schedules:

Part-time employees assigned to "non-traditional" work schedules remain entitled to observe holidays. If a part-time work schedule falls outside of a holiday observance, the employee remains entitled to the holiday provision. CSUEU provisions indicate that "the amount of time an employee has off for the holiday without a loss in pay shall be the number of hours the employee is normally scheduled to work [CSUEU 14.12]" and "the number of hours of the holiday shall be determined by the hours the employee is normally scheduled to work on the day the holiday is observed, [CSUEU 14.16(a)]." When considering employees assigned to a "non-traditional" part-time work schedule, it is not intended that the holiday be "forfeited," or conversely, that the holiday entitlement be greater than intended. For campuses with no established practice, to ensure consistency and equity in the application of holidays for employees on non-traditional or irregular part-time work schedules, the number of holiday hours to observe may be determined by the employee's timebase.

For example, a part-time non-exempt employee assigned to an irregular work hour schedule (e.g., 4 hours on Monday, 8 hours on Tuesday, 6 hours on Wednesday, 2 hours on Thursday), or an exempt employee assigned to

an irregular work hour schedule (e.g., 10 hours on Tuesday and 10 hours on Thursday), both remain entitled to the holiday observed at their campus on Friday. In both examples, based upon their half-time timebase, the equitable entitlement is to receive four (4) hours of ADO, to be taken within the timelines prescribed by the respective bargaining agreement/policy provision.

Schedules should be effectively managed to ensure that the holiday entitlement is equitably administered. As business operations permit, managers may consider temporarily changing work schedules (in accordance with the provisions of their respective MOU) to allow the work week schedule to have the same number of work hours each day and/or to allow the holiday to be observed on the same day as the campus. Otherwise, the ADO day taken may be greater than the equitable entitlement. In other instances, where a schedule cannot be changed, the campus may require the employee to supplement the day with eligible leave credits if the ADO time earned does not fully supplement the ADO day taken. In no instance should the ADO day taken be less than the equitable entitlement, instead, err to the benefit of the employee. In all cases, it is essential that established campus practices be consistently applied.

ADO and Leave Accounting Considerations:

ADO is not an “accrual,” rather it is an alternate day off. It is recognized that campus practices differ across the system with respect to how ADO time is utilized and that leave accounting systems may currently allocate ADO time in increments of hours versus days. However, the provisions for ADO regard the entitlement as an increment of one day. As a result, an employee that incurred an ADO day while on a 4/10 work schedule should take their ADO day off before changing to a 5/40, 3/12, or 9/80 work schedule. Conversely, an employee that incurred an ADO day while on a part-time work schedule should take the ADO day off before changing to a full-time work schedule. Managers are encouraged to schedule ADO appropriately so that the ADO time incurred and taken are equitable and administered as intended.

Common Management Systems (CMS) Processing Instructions

CMS Baseline (Oracle/PeopleSoft) will be updated to address the requirements as defined in this technical letter, e.g. the tracking of ADO in “days” vs. “hours”. Additional communication regarding the CMS Baseline updates will be forthcoming. In the interim, campuses currently using Absence Management should monitor ADO (earns and takes) to ensure it adheres to the guidelines provided herein.

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

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