

To: Departmental Payroll Managers

From: Ken Stewart
Interim Controller and Treasurer

Date: January 3, 2008

Subject: Adjustments to Pay for Full-time and Regular Part-time Employees – Calendar Year 2008

The purpose of this memo is to provide the method by which full-time and regular part-time employees' pay should be adjusted for prior pay periods. These procedures are designed to obtain the percentage of employment during a pay period and should not be confused with actual hours worked. This method is to be used with the earn code RTO (retroactive pay) or DOC (Docked Pay) and limited to employees whose hours default each pay period. It is not applicable for overtime hours or hours paid to students or temporary employees paid on a delayed basis.

The semimonthly pay cycle is based on an employee's annual rate paid over twenty-four pay periods (15th of the month and the last working day). As a result the number of days varies in each pay cycle. For this reason it will be necessary to use the following formula containing a conversion factor when computing the hours to adjust for a particular pay period.

$$(\text{hours to adjust}) \div (8 \text{ hours}) \times (\text{conversion factor}) = \text{computed hours}$$

<u>Calendar Year 2008</u>	<u>Conversion Factor</u>	<u>Calendar Year 2008</u>	<u>Conversion Factor</u>
SM #1 (January 1 - 15).....	7.879	SM #13 (July 1 -15).....	7.879
SM #2 (January 16 - 31).....	7.223	SM #14 (July 16 - 31).....	7.223
SM #3 (February 1 - 15).....	7.879	SM #15 (August 1 - 15).....	7.879
SM #4 (February 16-28).....	8.667	SM #16 (August 16 - 31).....	8.667
SM #5 (March 1 - 15).....	8.667	SM #17 (September 1 - 15).....	7.879
SM #6 (March 16 - 31).....	7.879	SM #18 (September 16 - 30).....	7.879
SM #7 (April 1 - 15).....	7.879	SM #19 (October 1 - 15).....	7.879
SM #8 (April 16 - 30).....	7.879	SM #20 (October 16 - 31).....	7.223
SM #9 (May 1 - 15).....	7.879	SM #21 (November 1 - 15).....	8.667
SM #10 (May 16 - 31).....	7.879	SM #22 (November 16 - 30).....	8.667
SM #11 (June 1 - 15).....	8.667	SM #23 (December 1 - 15).....	7.879
SM #12 (June 16 - 30).....	7.879	SM #24 (December 16 - 31).....	7.223

Example 1:

A half-time employee begins work on August 14 and the Employment Action Form is not processed until August 15. Since the day of August 14 has already been included in the SM#15 check it will be necessary to pay this one half day on the August 31 check (SM#16). The formula is used to compute retroactive hours (hours to adjust) divided by (8 hours) times (7.879) conversion factor for SM#15 equals 3.94 hours (rounded to two decimal places). The earn code RTO will be used with the computed hours of 3.94.

Example 2:

A full-time employee must take leave without pay for 5 hours on April 4. (Hours to adjust) divided by (8 hours) times 8.667 (conversion factor for SM#7) equals 5.42 (rounded to two decimal places). The earn code DOC (always negative) will be used with the computed hours of -5.42.

Any questions you may have regarding this information please call the Payroll office at 325-2753.