PAYROLL ADMINISTRATION MEMORANDUM

2020 - 2021

No. 18

DATE: June 14, 2021

TO: B/C Office Directors (via e-mail)
Principals (via “Principals’ Weekly Newsletter”)
Payroll Secretaries/Timekeepers (via e-mail)

FROM: Kevin Monrose

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 of 6/26/21 - 8/8/21 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:
  - Mailed to the address of record for the employee; or
  - Issued via Direct Deposit for those employees who are currently enrolled in Electronic Fund Transfer (EFT).
- The timekeeping schedule for the summer is as follows:

<table>
<thead>
<tr>
<th>Summer Service Period</th>
<th>Cybershift</th>
<th>Close Dates</th>
<th>Check Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/27/21 – 7/10/21</td>
<td>7/12/21</td>
<td></td>
<td>7/23/21</td>
</tr>
<tr>
<td>7/11/21 – 7/24/21</td>
<td>7/26/21</td>
<td></td>
<td>8/6/21</td>
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<tr>
<td>7/25/21 – 8/7/21</td>
<td>8/9/21</td>
<td></td>
<td>8/20/21</td>
</tr>
</tbody>
</table>

* Early Return Charter School Period

- **EMPLOYEES WITH NO ACTIVE JOB AS OF 6/14/21 CANNOT WORK DURING THE SUMMER. IF THERE IS NO ACTIVE PRIMARY JOB, A SECOND JOB CANNOT BE CREATED TO PAY THIS EMPLOYEE.**
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: 6/26/2021 – 9/8/2021, 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 7/9/21 for service rendered through 6/25/21.
  - 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 for the annual population as outlined in the table above.
  - Summer service checks will be distributed on the following dates: 7/23/21, 8/6/21, 8/20/21, 9/3/21, and 9/17/21.

Prorated Vacation Pay Entitlement for Annual Employees with a Break in Service
- Annual employees hired after September 8, 2020, or on an unpaid Leave of Absence during the school year are eligible for a prorated vacation pay entitlement covering the period 6/26/21 through 9/8/21.
- The variables for the computation of summer pay entitlement are as follows:
  - Number of days in the calendar year = 365
  - Number of work-days in bi-weekly pay period = 10
  - Number of summer vacation pay days (2021) = 53
  - Bi-weekly salary = Annual salary ÷ number of days in the calendar year x the number of calendar days in a two-week period
  - NOTE: Vacation Factor = (# of vacation days ÷ # of school days)
    (53 days ÷ 183 days = vacation factor of .29)

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

Example #1
- John Smith is hired effective 11/6/20, and has an annual salary of $50,000, and he serves through 6/25/21; 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:
- Annual salary $50,000 ÷ 365 calendar days X 14 days ÷ 10 workdays = $191.78 daily pay rate.
- The 2020 – 2021 school year vacation period is 53 days.
- Vacation entitlement is computed as:
  - $50,000 ÷ 365 X 14 ÷ 10 X 53 days = $10,164.38
  - $191.78 X 53 days X 80% entitlement = $8,131.47
  - Total Deduction $2,032.91
- A deduction will be taken in four equal installments of $508.23 on:
Example #2

- Jane Smith works throughout the school year at an annual salary of $50,000, she resigned on 4/1/21.
- She would receive a vacation pay entitlement equivalent to 70% of the total, on June 25, 2021.
  - $50,000 ÷ 365 X 14 ÷ 10 = $191.78 per work day
  - $191.78 X 53 days X 70% = $7,115.04

Example #3

- Joan Smith was on an unpaid leave of absence for the period of 3/3/21 through 4/21/21:
- This period is equal to 30 school days;
- Vacation entitlement is computed as follows:
  - 30 days X .29 (vacation factor) = 8.7 days of vacation pay adjustment; therefore:
    - Annual salary of $50,000 ÷ 365 X 14 ÷ 10 = $191.78 daily rate of pay
    - $191.78 X 8.7 = $1,668.49.
- A deduction will be taken in four equal installments of $417.12 on

If you have any questions regarding the processes or protocols outlined above, please contact Antoinette Brown, Director of Administrative Payroll at Abrown@schools.nyc.gov.

KM/ab

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