



THE NEW YORK CITY DEPARTMENT OF EDUCATION

JOEL I. KLEIN, *Chancellor*


Vincent A. Giordano, *Executive Director*

Division of Financial Operations

PAYROLL ADMINISTRATION MEMORANDUM – NO. 18 , 2006 - 2007

DATE: June 15, 2007

TO: ROC Directors (via e-mail)
Principals (via "Principal's Weekly Newsletter")
School Secretaries/Timekeepers

FROM: Vincent A. Giordano, Executive Director 

SUBJECT: **Summer Processing Procedures for Nurses and Therapists Using the Administrative Payroll System (APRL)**

Please use this memorandum as a guide for all APRL users who will be utilizing the Administrative Payroll system to process payroll for nurses and therapists this summer.

1. **Summer Vacation Pay Entitlements for Annual Employees**

In accordance with the terms of the current contract, all annual nurses and therapists are now working a 10 month work year but will be paid over 12 months. As such, those annual employees with no break in service will continue to receive their normal biweekly paychecks during the summer vacation period (6/28/07 through 8/29/07). Hourly employees will be paid only for service rendered through 6/27/07 on Friday, 7/13/07 unless they will be working during the summer months. Direct Deposit pay stubs and paychecks for all employees will be delivered to the employees' respective Regional Operations Center (ROC) as in past years.

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

Annual employees who were hired after 8/31/06 or were on an unpaid Leave of Absence during the school year will be eligible for a prorated vacation pay entitlement covering the period 6/28/07 through 8/29/07. The variables for the computation of summer pay entitlement follow:

Number of days in the calendar year = 365

Number of work/days in bi-weekly pay period = 10

Number of days summer vacation pay days (2007) = 45

Bi-weekly salary = Annual salary ÷ number of days in the calendar year X number of calendar days in a two week period ÷ 10 work days

The following examples will illustrate the prorating methodology:

- a) An employee who was newly hired at an annual salary of \$50,000 effective 11/09/06 and served through 6/27/07 is eligible to receive 80% of the vacation pay entitlement. Entitlement is computed at 10% for each month of service covering the period September through June where an employee serves more than 15 calendar days in a month. The adjustment will be deducted over the four summer checks to be issued on: 7/13, 7/27, 8/10 and 8/24/07.

Annual salary \$50,000 ÷ 365 calendar days X 14 days ÷ 10 work days = \$191.78 daily pay rate

2006/2007 school year vacation entitlement is 45 days. Full vacation entitlement is computed as:

$\$50,000 \div 365 \times 14 \div 10 \times 45 \text{ days} = \$8,630.14$

$\$191.78 \times 45 \text{ days} \times 80\% \text{ entitlement} = \underline{\$6,904.80}$

Total Deduction \$1,726.06

A deduction will be taken in four installments of \$431.52 on 7/13, 7/27, 8/10 and 8/24/07.

- b) An employee who worked the full school year at an annual salary of \$50,000 and resigned on 4/2/07 would receive a vacation pay entitlement of \$6,041.07 equal to 70% in a lump sum to be distributed on 6/27/07.

$\$50,000 \div 365 \times 14 \div 10 = \$191.78 \text{ per work day}$

$\$191.78 \times 45 \text{ days} \times 70\% = \$6,041.07$

- c) An employee who was on an unpaid leave of absence for the period 1/10/07 through 2/28/07 equal to 30 school days would receive a reduction of 7.14 vacation days \$1,369.32 to be deducted over the four pay checks to be issued on: 7/13, 7/27, 8/10 and 8/24/07.

30 days X 45 vacation factor = 7.14 days of vacation pay adjustment
189 school days

Annual salary of \$50,000 ÷ 365 X 14 ÷ 10 = \$191.78 daily rate of pay

$\$191.78 \times 7.14 = \$1,369.32 \text{ vacation pay reduction in four equal deductions of } \$342.33.$

3. Summer Pay Processing for Annual Employees working in Summer Programs

Annual employees who work during the summer months will be paid at an hourly rate equal to 1/1213 of their annual salary. These payments will be issued in separate checks and delivered to the same location as the employee's annual pay checks unless updated by central offices to a different location or will be issued via direct deposit for those employees who are currently enrolled in the Direct Deposit Program. The timekeeping schedule for the summer is as follows:

Summer Service Period	Timekeeping Close Dates	Check Date
6/28 – 6/29/07	7/02/07	7/13/07
7/2 – 7/13/07	7/16/07	7/27/07
7/16 – 7/27/07	7/30/07	8/10/07
7/30 – 8/10/07	8/13/07	8/24/07

Hourly employees who will be working during the summer will continue to be issued one paycheck which will be routed to the employee's respective Regional Operations Center unless updated by central office staff to a different location.

Questions concerning this memorandum may be referred to 718-935-2201.

VAG/ms

c. Michael Mendel, Laura Tamburo