SICK LEAVE FOR PART-TIME/HOURLY EMPLOYEES

Processing sick leave for Full-time employees is relatively straightforward, but there are additional steps required to update this information for Part-time employees. HBAs must **annualize** the salary <u>and</u> standard hours worked per day for Part-time and hourly enrollees. See the below **Annualizing Salary and Standard Hours** section for more details on how to calculate this figure. It is the HBA's job to report the correct sick leave information. If the HBA needs help in calculating sick leave information, they can call the Retiree Unit at EBD for assistance. However, disputes from employees on correct hours of accruals must be handled at the agency level. EBD will not be able to advise on matters pertaining to an employee's accruals prior to retirement.

The HBA should use the same information when calculating the sick leave credit for these employees as for Full-time annual salaried employees. The difference is that HBAs will need to input the information in NYBEAS as if the employee was a Full-time annual salary employee.

Annualizing Salary and Standard Hours

When processing a Sick Leave Adjustment in NYBEAS, HBAs are asked to provide the annual salary, the hours worked per day, and the hours of unused sick leave accruals. HBAs must **annualize** the information for enrollees who do not work a standard Full-time schedule (typically 35.0, 37.5, or 40 hours per work week) and then verify the information using the hourly rate of pay. The Department uses 52.2 as the number of working weeks in a year for the purposes of calculating the sick leave credit. The hourly rate of pay should remain the same whether the enrollee is Part-time or Full-time.

To annualize an enrollee's salary, multiply their hourly rate of pay by one of the standard hours worked per year:

Standard Hour Workday		Total Hours Worked/Year
8.0	=	2,088
7.5	=	1,957
7.0	=	1,827

Hourly	Х	Standardized Hours	=	Annualized
Rate of Pay		Worked/Year		Salary/Year

The formula for annualizing salary and standard hours for Part-time employees who work a percentage of Full-time and Part-time employees who are paid hourly remains the same when processing a sick leave adjustment. The scenarios below demonstrate this concept. HBAs who do not know the employee's hourly rate of pay should contact their payroll department to obtain this information. EBD does not have access to this financial data.

Scenario 1: Part-Time Employees Who Work a Percentage

If an employee works less than 100% time, review the following steps to annualize their salary and determine hours worked per day for accurate NYBEAS processing. Using the percentage of time a Part-time employee worked, the HBA can deduce both the annual salary and hours worked per day required to correctly process the sick leave adjustment. This is done by equating the percentage worked to 100% for the respective variables. The resulting annual salary and hours worked are used to determine the correct hourly rate of pay. This number should match with what is entered in NYBEAS.

Time	Hours Per Week/Pay Period	Hourly Rate of Pay	Hours Worked/Year	Salary/Year
100%	40/80	\$47.89	2,088	\$100,000
75%	30/60	\$47.89	1,566	\$75,000
50%	20/40	\$47.89	1,044	\$50,000

Example 1 – Worked 100% of Full-Time

In this example, the enrollee worked a Full-time, 8.0-hour a day schedule (40 hours per week/5 days in the work week), earning \$100,000 annually.

Retirement Type SERV System 4	Date 01/24/20	019 Birthd	ate: 04/1	3/1971	0
*Sick Lv. Type A C SnglAnnuit	Hours	250.00			
Std Hrs/Wk 8.00 Annual Salary	100000.000	Hourly Rate	47.89	Amt:	29.27
				Preferred Pa	yment

To manually determine the hourly rate of pay, divide the annual salary by the total hours worked in the year:

Salary/Year	÷	Hours Worked/Year	=	Hourly Rate of Pay
\$100,000	÷	2,088	=	\$47.89

Note: Knowing the hourly rate of pay while at 100% will help ensure the correct information is inputted for Part-time employees.

Example 2 – Worked 75% of Full-Time

Still using the same example from above, the employee who worked 75% would earn \$75,000 (75% of \$100,000), their hours worked in a year would be 1,566 (30 hours/week x 52.2 weeks, or 2088 hours worked/year at Full-time x 75%).

Salary/Year	÷	Hours Worked/Year	=	Hourly Rate of Pay
\$75,000	÷	1,566	=	\$47.89

The resulting hourly rate of pay is the same as the Full-time employee in the example above and the same information as noted above for the Full-time, 100% employee should be entered in NYBEAS.

Retirement Type	SERV Q	System 4	Date 01/24/2	019 Birtho	date: 04/	13/1971	0
*Sick Lv. Typ	A SnglA	nnuit	Hours	250.00			
Std Hrs/Wk	8.00 Q	Annual Salary	100000.000	Hourly Rate	47.89	Amt:	29.27
						Preferred Pa	yment

Example 3 – Worked 50% of Full-Time

Using the same example again, but now the employee worked 50% and earned 50,000 ($100,000 \times 50\%$), their hours worked in a year would be 1,044 (20 hours/week x 52.2 weeks, or 2,088 hours worked/year at Full-time x 50%).

Salary/Year	÷	Hours Worked/Year	=	Hourly Rate of Pay
\$50,000	÷	1,044	=	\$47.89

This hourly rate of pay is the same as the Full-time and Part-Time employees in the examples above and would be processed the same.

Retirement Type	SERV Q	System 4	Date 01/24/20	019 Birthd	late: 04/1	13/1971	0
*Sick Lv. Typ	A SnglA	nnuit	Hours	250.00			
Std Hrs/Wk	8.00 Q	Annual Salary	100000.000	Hourly Rate	47.89	Amt:	29.27
						Preferred Pa	yment

Scenario 2: Part-Time Employees Who Work Hourly

If an employee works in an hourly position, review the following steps to annualize their salary and determine hours worked per day for accurate NYBEAS processing.

Converting the time an hourly employee works into a percentage will provide confirmation that the annual salary and hours worked per day have been correctly entered in NYBEAS.

An hourly employee works 7.0 hours per day, 3 days per week. The hourly rate of pay is \$47.89. Typically, this position would be 40 hours/week or an 8.0-hour day. The number of hours worked in a year is calculated as follows:

Hours/Week	X	Total Weeks in a Year	=	Hours Worked/Year
7.0 x 3 = 21.0	Х	52.2	=	1,096.2

To calculate the annual salary, multiply the hours worked per year by the hourly rate of pay.

Hours Worked/Year	X	Hourly Rate of Pay	=	Salary/Year
1,096.2	Х	\$47.89	=	\$52,497.02

Incorrect Processing

Although there is a standard 7.0-hours day worked as an option in NYBEAS, this standard 7.0-hours per day option is not accurate. The standard hours worked per day as a Full-Time employee needs to be entered into NYBEAS and in this instance, as stated above, is an 8.0-hours workday.

If the information is entered in NYBEAS using the standard 7.0 hours as shown below, it will not calculate the correct hourly rate of pay. Instead, it will show that the enrollee had an hourly rate of pay of \$28.73. **This is incorrect.**

Retirement Type SERV System 4	Date 01/24/20)19 Birthdate	: 04/13/19	971	6
*Sick Lv. Type 🛛 🔍 SnglAnnuit	Hours	250.00	4		
Std Hrs/Wk 7.00 Annual Salary	52497.020	Hourly Rate	28.73	Amt:	17.56
			Pre	eferred Pa	yment

Correct Processing

The following three examples show that by annualizing the Part-time hourly salary to reflect a Full-time salary and using the appropriate standard hours worked per day, enrollees will receive the same monthly, lifetime sick leave credit. Therefore, when inputting the sick leave information in NYBEAS for an hourly paid employee, HBAs should correctly determine the standard hours per day for a Full-time employee in this position. The examples below illustrate detailed calculations involving 8.0, 7.5, and 7.0-hour standard days.

Each example continues to use the employee who has an hourly rate of pay of \$47.89 and works 7.0 hours every Monday, Wednesday, and Friday, for a total of 21.0 hours per week.

Example 1 – Standard 8.0-Hour Day

Annualize Salary

Determining the annual salary for an hourly employee is easy once the standard hours per day for a Full-time employee in the position is known.

Hourly Rate of Pay	X	Standardized Hours Worked/Year	=	Annualized Salary/Year
\$47.89	Х	2,088	=	\$99,994.32

Hours Part-Time Employee Worked

Separately, calculate the number of hours the Part-time employee works per year. To do this, multiply the hours worked in a week by 52.2 (the number of working weeks per year).

Hours/Week	X	Total Weeks in a Year	=	Hours Worked/Year
7.0 x 3 = 21.0	Х	52.2	=	1,096.2

Percentage of Time Employee Worked

One can now determine the percentage of time the employee worked and use this to confirm the annualized salary to input is correct. Since this example's employee worked an 8.0-hour day, divide the hours the employee worked in the year (1,096.2 hours) by the total number an 8.0-hour employee could work (2,088 hours). This would equal 0.525 or 52.5%.

Hours/Year Worked	÷	Total Hours for 8-Hour Standard Schedule	=	Percentage Worked
1,096.2	÷	2,088	=	52.5%

Verify Annual Salary Input in NYBEAS is Correct

Verify the correct annual salary to input into NYBEAS for this example by multiplying by 0.525 or 52.5%, which calculates to be \$52,497.02.

Percentage	Х	Annualized Salary for FT	=	Annual
		(used in NYBEAS)		Salary for PT
52.5%	Х	\$99,994.32	=	\$52,497.02

Hours Worked/Week	X	Hourly Rate of Pay	X	Total Weeks/Year	=	Annual Salary for PT
21.0	Х	\$47.89	Х	52.2	=	\$52,497.02

If the \$99,994.32 annualized salary is entered into NYBEAS, the hourly rate is reflected correctly. This would, in turn, provide the enrollee the accurate monthly sick leave credit of **\$29.27**.

Retirement Type SERV System 4	Date 01/24/2	2019 Birthda	ate: 04/1	3/1971	0
*Sick Lv. Type A C SnglAnnuit	Hours	250.00			
Std Hrs/Wk 8.00 Annual Salary	99994.320	Hourly Rate	47.89	Amt:	29.27
				Preferred Pa	yment

Example 2 – Standard 7.5-Hour Day

Annualize Salary

As stated above, determining the annual salary for an hourly employee is easy once the standard hours per day for a Full-time employee in the position is known.

Hourly Rate of Pay	X	Standardized Hours Worked/Year	=	Annualized Salary/Year
\$47.89	Х	1,957	=	\$93,720.73

Hours Part-Time Employee Worked

Separately, calculate the number of hours the Part-time employee works per year. To do this, multiply the hours worked in a week by 52.2 (the number of working weeks per year).

Hours/Week	X	Total Weeks in a Year	=	Hours Worked/Year
7.0 x 3 = 21.0	Х	52.2	=	1,096.2

Percentage of Time Employee Worked

One can now determine the percentage of time the employee worked and use this to confirm the annualized salary to input is correct. Since this example's employee worked a 7.5-hour day, divide the hours the employee worked in the year (1,096.2 hours) by the total number a 7.5-hour employee could work (1,957 hours). This would equal 0.56014 or 56.014%.

Hours Worked/Year	÷	Total Hours for 7.5-Hour Standard Schedule	=	Percentage Worked
1,096.2	÷	1,957	=	*56.014%

*This percentage has been rounded for this example.

Verify Annual Salary Input in NYBEAS is Correct

Verify the correct annual salary to input into NYBEAS for this example by multiplying by 0.56014 or 56.014%, which calculates to be \$52,497.02.

Percentage	Х	Annualized Salary for FT (used	=	Annual Salary for
		in NYBEAS)		PT
56.014%	Х	\$93,720.73	=	\$52,497.02

Or,

Hours Worked/Week	X	Hourly Rate of Pay	X	Total Weeks/Year	=	Annual Salary for PT
21.0	Х	\$47.89	Х	52.2	=	\$52,497.02

If this \$93,720.73 annualized salary is entered into NYBEAS, the hourly rate is reflected correctly. This would, in turn, provide the enrollee the accurate monthly sick leave credit of **\$29.27**.

Retirement Type SERV System 4 Q	Date 01/24/2	019 Birthda	ate: 04/1	3/1971	0
*Sick Lv. Type 🛛 🔍 SnglAnnuit	Hours	250.00			
Std Hrs/Wk 7.50 C Annual Salary	93720.730	Hourly Rate	47.89	Amt:	29.27
				Preferred Pa	yment

Example 3 – Standard 7.0-Hour Day

Annualize Salary

As stated above, determining the annual salary for an hourly employee is easy once the standard hours per day for a Full-time employee in the position is known.

Hourly Rate of Pay	X	Standardized Hours Worked/Year	=	Annualized Salary/Year
\$47.89	Х	1,827	=	\$87,495.03

Hours Part-Time Employee Worked

Separately, calculate the number of hours the Part-time employee works per year. To do this, multiply the hours worked in a week by 52.2 (the number of working weeks per year).

To calculate the number of hours the Part-time employee works per year, multiply the hours worked in a week by 52.2 (the number of working weeks per year).

Hours/Week	X	Total Weeks in a Year	=	Hours Worked/Year
7.0 x 3 = 21.0	Х	52.2	=	1,096.2

Percentage of Time Employee Worked

One can now determine the percentage of time the employee worked and use this to confirm the annualized salary to input is correct. Since this example's employee worked a 7.0-hour day, divide the hours the employee worked in the year (1,096.2 hours) by the total number a 7.0-hour employee could work (1,827 hours). This would equal 0.6 or 60%.

Hours Worked/Year	÷	Total Hours for 7.5-Hour Standard Schedule	=	Percentage Worked
1,096.2	÷	1,827	=	60%

Verify Annual Salary Input in NYBEAS is Correct

Verify the correct annual salary to input into NYBEAS for this example by multiplying by 0.6 or 60%, which calculates to be \$52,497.02.

Percentage	X	Annualized Salary for FT (used in NYBEAS)	=	Annual Salary for PT
60%	Х	\$87,495.03	=	\$52,497.02

Or,

Hours Worked/Week	X	Hourly Rate of Pay	X	Total Weeks/Year	=	Annual Salary for PT
21.0	Х	\$47.89	Х	52.2	=	\$52,497.02

If this \$87,495.03 annualized salary is entered into NYBEAS, the hourly rate is reflected correctly. This would, in turn, provide the enrollee the accurate monthly sick leave credit of **\$29.27**.

Retirement Type SERV System 4	Date 01/24/2	019 Birthda	te: 04/1	3/1971	6
*Sick Lv. Type 🛛 🔍 SnglAnnuit	Hours	250.00			
Std Hrs/Wk 7.00 Annual Salary	87495.030	Hourly Rate	47.89	Amt:	29.27
				Preferred Pa	yment

As expected, the hourly rate of pay for each of the examples in scenario 2 is equal. Each example resulted in an hourly rate of pay of \$47.89, confirming the calculations used is accuracte.