

From: List Description: [\[mailto:PAYROLL_BL@LISTSERV.INDIANA.EDU\]](mailto:PAYROLL_BL@LISTSERV.INDIANA.EDU) **On Behalf Of** McElhinney, Sandra D

Sent: Friday, July 08, 2011 3:00 PM

To: PAYROLL_BL@LISTSERV.INDIANA.EDU

Subject: 2010/2011 Hourly Vacation Vouchers

Hourly employees **employed prior to July 1, 2009** are eligible to receive 1.00 hour of vacation pay for every 12.00 hours worked in excess of 1000.00 hours during the period June 13, 2010 through June 11, 2011. Hourly vacation is calculated using the employee's average hourly rate with a maximum of 80.00 hours available.

At the end of each fiscal year, we run a process to calculate the number of hours worked for each hourly employee (includes HRP, HRR, and HRW pay groups). **If the job was active prior to July 1, 2009 and the employee has worked more than 1000 hours in the same department, they are eligible for hourly vacation pay.** The policy can be found on the UHRS website: http://www.indiana.edu/~uhrs/policies/hourly/time_off.html

Hourly vacation payments should be made in the next two available on-cycle payrolls, B023072211 or B025080511.

We will be mailing the Hourly Vacation vouchers to departments in the afternoon mail and you should receive them in your department in the next couple of days. Please verify the names on your report. We have also included an instruction memo explaining how to add the amount to the hourly voucher for payment. If you have any questions, please contact your payroll processor in FMS.

Pay Period dates for 2010/2011: June 13, 2010 - June 11, 2011

The basic calculation is:

- 1) Sum hours by **ID**, by **department** code, by **record number**.
- 2) If the total hours for a **department are less than 1000**, nothing should be paid.
- 3) If the hours are greater than 1000 for a department, they have eligible vacation hours. Calculate the remainder (total hours – 1000.00)
- 4) Divide the remainder by 12 to get the eligible hours – **with a maximum of 80.00 hours**.
- 5) Calculate the average hourly rate: total salary divided by total hours = avg hourly rate.
- 6) Calculate hourly vacation pay: Eligible hours X average hourly rate = hourly vacation pay.
- 7) **Enter HVB and hourly vacation pay AMOUNT on the hourly voucher in WEEK 1.**

Example:

Patty Payroll earned \$10,642.00 for working 1252.00 hours in the Payroll department during the fiscal year defined above.

- 1) *1252.00 hours – 1000.00 = 252.00 eligible hours. Remainder = 252.00/12 = 21.00 hrs*
- 2) *10642.00/1252.00 = 8.50 average hourly rate*
- 3) *8.50 x 21.00 hours = 178.50 HVB pay*

If the employee is terminated or has transferred and does not appear on your hourly voucher, you will need to submit an electronic adjustment voucher to make the payment using dates during the last pay period they were active in your department. If you paid the hourly vacation at the time of termination/transfer, please disregard this voucher.