



# WHAT'S NEW

## MONTHLY SALARY REPLACES HOURLY PAY

On January 1, 2005, a second major payroll change goes into effect when employees with regular work schedules will be paid based on monthly salary rather than hourly pay. Employees who had been paid every four weeks will receive their salary in one monthly check. Employees who had been paid every two weeks will receive their salary in two equal semi-monthly checks. Each month's salary will be the same regardless of the number of working days/hours in a month. Employees with Irregular Work Schedules, such as student workers, will continue to be paid by the hour. Annual pay is the same. Pay differentials continue. This issue of "What's New" explains the change, who is affected, and what to expect.

### Salary Concepts: Old vs. New

Much of our District's rules, regulations, and payroll practices were written decades ago and understandably reflect computer limitations of years gone by. Pay, for example, was based on hourly rates and each hour worked/not worked was accounted for. Considerable human effort was required to handle the various time reporting activities throughout the nine colleges and District Office.



Today's technology allows much more flexible business operations to be used than was previously possible. This flexibility simplifies time reporting tasks for individual department heads, campus and district time reporting personnel, and payroll operations.

- **Our current system** requires employee assignments to be written using hours per pay period. Time was reported based on hours worked and hours absent for each employee every four-week pay period. Employee work schedules evolved to address department needs and were often unrelated to time reporting.
- **In the new system** employee assignments are simply written based on a specific position, FTE and work schedule. Pay is based on the FTE assignment, not hours worked and absent. Pay remains the same each month regardless of the number of calendar working days in each month.

### Work Schedules: Two Time Reporting Methods

Work schedule concepts take on a new meaning in the new system since Time Reports are submitted according to each employee's Work Schedule designation.

- **Regular Schedules** reflect the one position, one-person FTE concept. Employees assigned to a regular position are viewed as salaried employees working a Regular Schedule. Work schedules detailing start and stop times are developed by each location and reported to the payroll system. Teaching faculty work schedules are reported from the schedule of classes database system.



Each regular position is assigned to a specific monthly scale. In turn, each employee is assigned to a level (step / column) to the base monthly salary. Additional pay differentials or other one-time payments are added to the base monthly salary. Annual pay remains the same as in the old system. Attendance is not reported. Only absences are reported.

- **Irregular Schedules** do not have set hours and will be paid by the hour reported each day. Faculty with different work hours each week and student employee assignments positions are examples of Irregular Schedule assignments. Time Reports detailing hours worked, or, if paid, hours absent, must be reported.



### Salary Warrant (Pay Check) Stubs

Paycheck stubs in our current system report hours worked in various categories along and hourly pay rate for each assignment. The new paycheck stubs will simply list the salary for each position an employee holds together with a listing of absences.

**NEXT WEEK** **What's New with** Work Schedules, Quotas, and Absences

**Project MAESTRO is about change.** "What's New" and other Project MAESTRO communications are sent primarily through email. Until all employees have computer access, hard copy will also be posted on the LACCD Bulletin Boards at each location.

To send a comment email: [MAESTROeditor@laccd.edu](mailto:MAESTROeditor@laccd.edu)

HOURLY VS. MONTHLY PAY COMPARISON  
(Full-Time Regular Status Assignment)

Service	Old System			New System		
	Hours		FTE	Hours		FTE
	Week	P/P*		Week	P/P*	
Faculty, Teaching	30	120	1.00	Duty	---	1.00
Faculty, Non-Teaching	30 / 35	120/140	1.00	30 / 35	---	1.00
Classified	40	160	1.00	40	---	1.00

\* Pay Period (P/P) hours are eliminated because in the new system pay is based on the calendar month, not a four-week pay period cycle.

**The Bottom Line:** For "A" basis employees, in the new system, the "13<sup>th</sup>" check is just spread over 12 months. The monthly salary paycheck will be 8.75 % larger!