

## Human Resources Memorandum

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| <b>SUBJECT:</b><br><b>PROMPT PAYMENT OF WAGES</b>                | <b>NUMBER:</b><br><b>HR 15-027</b>            |
|  | <b>DATE ISSUED:</b><br><b>October 6, 2015</b> |
| <b>DISTRIBUTION:</b><br><b>All CDFW MANAGERS AND SUPERVISORS</b> | <b>EXPIRES:</b><br><b>N/A</b>                 |

This memorandum is to remind managers and supervisors that effective January 1, 2001, the provisions of Labor Code sections 201 through 219, requires employers to pay employees' wages in full on the day of their involuntary separation, and within 72 hours when the separation is voluntary, as noted below.

The State, as an employer may be liable for costs relating to the service, or handling of legal documents for action(s) brought by the Labor of Commission to recoup unpaid wages. Failure to pay wages timely can also result in a penalty of up to 30 days of continued wages paid by the department to the separated employee.

Involuntary separations require managers and supervisors to collaborate with the Human Resources Branch to ensure the employees' legal due process, including payment of wages in full on the effective date of their involuntary separation.

Managers and supervisors must contact their Administrative Officer or their assigned Personnel Specialist immediately when the employee provides notice of their voluntary separation to ensure wages are received in 72 hours or less. When an employee does not provide at least 72 hours advance notice of their voluntary separation, the payment of their wages shall be paid within 72 hours from the date the employee provides notification of resignation. Employees cannot waive their right to prompt payment.

The prompt payment of wages include owed wages, lump sum payments for residual vacation, personal holiday, CTO, etc. with the exception of sick leave, and include any applicable increased salary rates (e.g. merit salary adjustments, general salary increases, etc.)

Examples of voluntary separations and involuntary separations are as follows:

| <b>Voluntary</b>   | <b>Involuntary (Continued)</b>   |
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| Absence without Leave Approval (AWOL)                                | Illegal Appointment  |
| Resignation  | Layoffs  |
| Retirement   | Limited-Term   |
| <b>Involuntary</b>   | Medical Termination  |
| CEA does not exercise their right to return to a civil service class | Rejection on Probation (if employee does not have mandatory return rights to another State position) |
| Dismissal  | Retired Annuitant  |
| Exempt Appointment   | Termination of Temporary Authorization (TAU) with or without fault                                   |