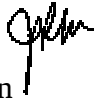


**The California State University
Office of the Chancellor
401 Golden Shore
Long Beach, CA 90802-4210
(562) 951-4411**

Date: February 19, 2002 **Code:** HR 2002-05
To: CSU Presidents **Supersedes:** HR 2001-28
From: Jackie R. McClain 
Vice Chancellor
Human Resources
Subject: **Additional Employment Policy**

The California State University (CSU) Additional Employment Policy has been updated to provide guidance on the payment of overtime for a non-exempt employee's additional employment assignment. The updated policy is provided in Attachment A.

The Additional Employment Policy establishes reasonable limits on the total amount of employment an individual may have within the CSU system. CSU employment is defined as any employment compensated through CSU payroll, regardless of funding source (e.g., general fund, extension, lottery, CSU employment reimbursed by an auxiliary or other source). Outside employment is any employment not compensated through the CSU payroll, including CSU foundation and CSU auxiliary employment. When determining additional employment under the CSU Additional Employment Policy, all CSU employment and all outside CSU foundation and other CSU auxiliary employment are considered together. Additional employment appointments in excess of full time do not increase retirement credits or benefit payments.

For questions on faculty additional employment, please contact Academic Human Resources at (562) 951-4425. For other questions, please call Human Resources Administration at (562) 951-4411. This memorandum is also available on the Human Resources Administration's web site at: <http://www.calstate.edu/HRAadm/memos.shtml>.

JRMCC/cr

Attachment

Distribution: All With Attachment

Chancellor Reed	Associate Vice Presidents/Deans of Faculty Affairs
Vice Presidents, Administration	Human Resources Directors
Vice Presidents, Academic Affairs	Benefits Officers
Vice Presidents, Student Affairs	Payroll Managers
Vice Presidents, University Advancement	SOSS Director

ADDITIONAL EMPLOYMENT POLICY
The California State University
February 2002

INTRODUCTION

The California State University (CSU) Additional Employment Policy establishes reasonable limits on the total amount of employment an individual may have within the CSU system. CSU employment is defined as any employment compensated through CSU payroll, regardless of funding source (e.g., general fund, extension, lottery, CSU employment reimbursed by an auxiliary or other source). Outside employment is any employment not compensated through the CSU payroll, including CSU foundation and CSU auxiliary employment. When determining additional employment under the CSU Additional Employment Policy, all CSU employment and all outside CSU foundation and other CSU auxiliary employment are considered together.

Additional employment can be from different types of appointments including Special Consultants (Class Code 4660) and Casual Workers (Class Code 1800); however, a particular appointment option may not be appropriate in all circumstances.

Policy rules are provided for employees represented by the California Faculty Association (CFA), other exempt employees, and non-exempt employees. Please refer to classification documents or appropriate Memoranda of Understanding (MOU) for more detailed guidelines, where provided. Guidelines for employees excluded from collective bargaining are determined by the appropriate systemwide or campus policies or procedures.

Each campus is responsible for determining the extent of an employee's CSU workload prior to appointment to any position. Campuses are responsible for developing appropriate guidelines for implementation of this policy and for developing procedures for prior approval and monitoring of all additional employment. Additional employment and overload (see below) may be denied and/or restricted by the campus President or designee. Additional employment shall not interfere with the employee's primary CSU assignment. Conflicts of interest are not permitted, regardless of the amount of compensation or time-base.

OVERVIEW

- **Additional Employment** refers to any CSU employment that is in addition to the employee's primary appointment. Additional employment limitations are based on time-base, not salary. A maximum of 125% time-base is allowed under certain circumstances. (Please refer to the appropriate section below for specific rules.) The salary rate for additional employment may be the same as the rate for the primary appointment; however, a different salary rate is permitted if appropriate for the work performed and if allowed by the funding source (e.g., private corporation contract). In the case of a federal grant or contract, the rate of pay for the additional employment must be the same as the CSU base rate of pay for the primary assignment.

- **Outside Employment** refers to any employment not compensated through the CSU payroll. Employment directly compensated by a CSU foundation or other CSU auxiliary that is not compensated through the CSU payroll is considered outside employment. Employment that is compensated through the CSU payroll and is reimbursed by a foundation, other auxiliary, or other funding source is considered CSU employment. CSU employees may, consistent with campus policies governing outside activities, be employed outside the CSU system. However, conflicts of interest are not permitted. **When determining the 125% additional employment under the CSU Additional Employment Policy, all CSU employment and all outside CSU foundation and other CSU auxiliary employment are considered together.**
- **Overload** is a term exclusive to employees represented by the CFA and refers to CSU additional employment in excess of a full-time workload, or when appropriate, in excess of a full-time (100%) time-base. A faculty member paid 100% from federal grant funds may not work more than 100% time.

FACULTY UNIT EMPLOYEES

Article 36 of the CFA MOU limits CSU employment (i.e., employment compensated through the CSU payroll) to the equivalent of one full-time position in a primary or normal work assignment. However, the MOU provides for additional employment of up to twenty-five percent (25%) of a full-time position if the additional employment:

1. consists of employment of a substantially different nature from the primary or normal work assignment; **or**
2. is funded from non-general fund sources; **or**
3. is the result of part-time employment on more than one campus.

As defined previously, **“overload”** refers to CSU additional employment of up to twenty-five percent (25%) of a full-time position in excess of a full-time workload, or when appropriate, in excess of a full-time (100%) time-base. Overload limitations and calculations are based on workload or time-base, not salary. Additional employment is allowed at a different rate of pay if appropriate for the work performed and if allowed by the external funding/granting source (e.g., private corporation contract). In the case of a federal grant or contract, the rate of pay for the additional employment must be the same as the CSU base rate of pay for the primary assignment.

When applying the limitations of the additional employment policy, the applicable time period for an employee in a twelve-month assignment is the calendar year. The applicable time period for ten-month and academic year employees is the campus’ academic year.

Additional employment and overload limits are calculated and applied independently during vacation, holiday periods or other academic breaks.

OTHER EXEMPT EMPLOYEES

Represented or nonrepresented employees, including those in the Management Personnel Plan, who are in positions exempt from the overtime provisions of the Fair Labor Standards Act (FLSA) do not receive additional compensation for work considered part of their primary work assignments. However, an exempt employee may be assigned additional employment equivalent to twenty-five percent (25%) above a 1.00 full-time time-base if the additional assignment is unrelated to his or her primary work assignment.

NON-EXEMPT EMPLOYEES

Non-exempt employees are employees who are subject to the regulations of the Fair Labor Standards Act (FLSA), which requires payment of overtime at time and one-half the regular pay rate for hours worked over forty (40) in a workweek. If an employee holds a non-exempt position and an exempt position, the employee must be considered non-exempt for pay purposes. It is anticipated that additional employment for employees in non-exempt positions will be infrequent. In the event a campus President or designee is considering an additional employment opportunity for a non-exempt employee, the following options are available:

1. Exclude the non-exempt employee from the additional employment appointment; or
2. Reduce the time-base of the primary position so the primary and additional appointments in total do not exceed a 100% time-base; or
3. Pay the employee appropriate over-time in accordance with FLSA and his or her respective MOU or employment policy. Guidelines for paying overtime are provided below.

For non-exempt nonrepresented employees:

- ✓ Overtime is required to be paid for hours worked in excess of 40 in a week if the employee receives an additional employment assignment on a regular or sporadic basis that is not substantially different from the current assignment.
- ✓ Overtime is not required to be paid for hours worked in excess of 40 in a week if the employee receives an additional employment assignment on an occasional or sporadic basis that is substantially different from the current assignment. Under this circumstance, the campus should establish a concurrent appointment in the additional assignment classification and pay for the work performed at the appropriate pay rate. (For reference, Section 553.30 of the Code of Federal Regulations addresses “occasional or sporadic” and “different capacity.”)

For non-exempt represented employees:

- ✓ Overtime is required to be paid for hours worked in excess of 40 in a workweek regardless of assignment. Whether the employee receives an additional employment assignment on a regular or sporadic basis that is or is not substantially different from the primary assignment, the employee is to be paid overtime.
- ✓ In accordance with CSU collective bargaining agreements, overtime for non-exempt employees is to be paid for hours worked in excess of 40 in a week.