

HUMAN RESOURCES MEMORANDUM 09-003		DATE ISSUED: 02/09/2009
SUBJECT: HARDSHIP SALARY ADVANCES		REFERENCE: None
TO: DGS Managers, Supervisors, Personnel Liaisons and Attendance Clerks		SUPERCEDES: None

PLEASE ENSURE THAT THIS INFORMATION IS SHARED WITH YOUR EMPLOYEES

Purpose

The purpose of this Human Resource (HR) Memorandum is to provide employees guidelines and criteria for the Hardship Salary Advance Request.

Authority

State Administrative Manual (SAM), Section 8595.

SAM provides employees the use of the salary advance provisions if they can clearly prove that an unforeseeable hardship or emergency exists and the salary advance is the only reasonable way to alleviate the hardship or handle the emergency.

Examples of Unforeseen Circumstances

Situations may arise in which an employee encounters an emergency or hardship which is unanticipated and for which an advance on wages earned is genuinely necessary and the outlined criteria are met.

The following are examples of unforeseen situations:

- Emergency home repairs (storm damage, fire, theft, etc.)
- Repairs to a vehicle, which provides the sole means of getting to work, and resulted from an accident or major breakdown.
- Emergency medical expenses for the employee or for an economically dependent family member, such as hospital fees or medication.
- Expenses for travel to a funeral of a close family member.

Hardship Salary Advance Criteria

Note: Employees who are enrolled in the Direct Deposit Program will not be issued a hardship salary advance unless he/she submits a cancellation request of his/her direct deposit.

The criteria for hardship salary advance(s) are as follows:

1. A situation or event which causes an immediate emergency or hardship for the employee, or those economically dependent on the employee.
2. The employee must have exhausted all conventional means of obtaining necessary funds elsewhere.

- Emergency salary advances are a last resort.
 - The employee will be required to demonstrate what other alternatives have been explored.
3. The specific amount of the request must be clearly described; advances will be approved only for the actual emergency expense (by providing a copy of an estimate or invoice) or net earned to date, whichever is less.

Exception: Employees new to State service will be paid 60% of gross earnings to date or the actual amount of the emergency expense, whichever is less.

4. The request must be approved by the following:
- The employee's manager,
 - Office/Branch Chief, or
 - Client Agency Executive, or his/her designated assistant and
 - Office of Human Resources Personnel Officer

Important:

An employee may not receive more than three (3) hardship advances in a 12-month period.

Amount of Hardship Salary Advance

The amount of the hardship salary advance is determined by the following conditions:

1. The amount of paid time the employee is entitled to at the time the hardship salary advance is computed.
2. The amount of mandatory and miscellaneous deductions to be withheld for the period of computation.
3. The disposable earnings must be sufficient to withhold all miscellaneous deductions or the advance cannot be given.

Questions

If you have any questions regarding this memorandum, please contact your assigned Personnel Specialist.

/s/

MARIA J. LOPEZ, Manager
Personnel Operations Section

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