

**ARIZONA STATE PERSONNEL SYSTEM
STATEWIDE POLICIES AND PROCEDURES**

Policy Number: ASPS/HRD-PA4.01	Issued: August 12, 2014
Subject: Shift Differential	Effective: August 12, 2014
Policy Section: Compensation	Revised: N/A
Policy Owner: ADOA Human Resources Division	

This policy does not create a contract for employment between any employee and the State. Nothing in this policy changes the fact that all uncovered employees of the State are at-will employees and serve at the pleasure of the appointing authority.

Scope:

This policy applies to all agencies, boards, offices, authorities, commissions, or other governmental budget units of the State that are part of the State Personnel System.

Authority:

A.R.S. § 41-743, Powers and duties of the director
A.A.C. R2-5A-403(B), Shift Differential
A.A.C. R2-5A-502, Hours of Work

Definitions:

“Director” is defined in A.R.S. § 41-741 and means the Director of the Arizona Department of Administration (ADOA), or the Director’s designee, who is responsible for administering the state personnel system pursuant to applicable state and federal laws.

“Other than a Day Shift” means the majority of an employee’s hours fall between 6:00 p.m. and 6:00 a.m.

“Shift Differential” means the payment of additional compensation to an employee who works on a shift other than a day shift and is in a classification that has been authorized by the ADOA HRD Director to receive such payments.

Policy:

State Personnel Rule R2-5A-403(B) allows the Director to authorize a shift differential to be paid to an employee on other than a day shift. The shift differential rate is established by the Director. By rule, if shift differential is authorized, employees in the same class in the same agency who work on the same shift shall receive the same shift differential pay unless an exception is authorized by the Director.

Shift differential may be paid to employees in positions authorized to receive such payments for a shift in which 50% or more of the regularly scheduled work hours fall between 6:00 p.m. and 6:00 a.m. as follows:

- Evening shift – 50% or more of the regularly scheduled work hours fall between 6:00 p.m. and midnight

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- Night shift – 50% or more of the regularly scheduled work hours fall between midnight and 6:00 a.m.

Shift Differential Rate(s)

The ADOA Human Resources Division will gather market data on shift differential practices on a regular basis. Survey information and recommendations for changes will be provided to the Director. Current shift differential amounts are:

- Evening shift – 5%
- Night shift – 10%

If an employee's regular schedule is split evenly between two shifts, the employee shall receive the shift differential at the higher rate.

Special Circumstances

An employee who is regularly scheduled to work a shift designated as eligible for shift differential, but who is temporarily assigned to work the day shift will continue to receive shift differential pay. "Temporarily assigned" can mean a single shift intermittently or a regular schedule for a period of up to 30 calendar days. If the different shift assignment exceeds 30 calendar days, the employee must be moved to the day shift without the shift differential.

- Example 1: An employee regularly scheduled on the evening shift is asked to work one day shift to provide coverage for an absent day shift employee. The employee will be paid evening differential for the hours worked on the day shift.
- Example 2: An employee regularly scheduled for the night shift is asked to work two weeks to provide coverage for a day shift employee on annual leave. The employee will be paid night differential for the hours worked on the day shift.

An employee who is regularly assigned to work on the day shift, but who is temporarily assigned to work the evening or night shift, will receive the applicable shift differential pay for all days where the hours worked would qualify for shift differential.

An employee who regularly works the evening shift, but who is temporarily assigned to work the night shift, will receive the night shift differential pay rate. If the different shift assignment exceeds 30 calendar days, the employee must be moved to the new shift.

An employee who works additional hours beyond the employee's regularly scheduled shift shall not affect the differential pay determination, even if the majority of hours worked fall into the shift with the higher rate.

- Example: A coworker calls in sick on the evening shift and a day shift employee, who is scheduled to work from 1 p.m. to 9 p.m., volunteers to cover 3 hours for the sick coworker after his or her shift is complete. In other words, the employee will be working from 1 p.m. to 12 a.m. The employee will have worked 5 hours during the day shift and 6 hours during the evening shift. The employee is not eligible for shift differential pay.

Calculation of Shift Differential

Shift differential pay is calculated on the employee's base pay, before other additional pay (such as a stipend) is added. Shift differential pay shall be included when determining the regular rate for the purpose of calculating overtime. For information regarding overtime

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calculations, please refer to the General Accounting Office (GAO) payroll procedure for calculating premium overtime.

Shift differential pay shall be included in the computation of pay for vacation, sick, holiday and compensatory leave for those employees who are regularly assigned to shifts for which they regularly receive shift differential.

- Example: An employee regularly scheduled on the evening shift is scheduled for 40 hours of annual leave. The employee will be paid shift differential for all annual leave hours.

Certain pay codes are excluded from the shift differential computation. The HRIS Pay Code Listing provides a complete list of pay codes and indicates whether or not shift differential is paid on the specified pay code.

Procedure:

Prior to initiating a shift differential request, it is recommended that the agency head or designee consult with the ADOA Chief Human Resources Officer assigned to a satellite agency or the ADOA Shared Services Office for non-satellite agencies.

Subject to the agency's available funding, the agency head, or designee, may request the inclusion of a classification in the shift differential authorized category by submitting a "Request for Shift Differential" form to ADOA for approval. The agency's completed request should be submitted electronically to the ADOA HRD mailbox at: HumanResources@azdoa.gov.

The ADOA Human Resources Director, or designee, will review the request and may approve, modify or deny the request. The ADOA Human Resources Division will note the determination on the form and return the request to the agency:

- If the request for shift differential is approved or modified, upon receiving notice from the ADOA Human Resources Division authorizing the particular action, the agency may notify affected employees and begin shift differential payments. Such payments shall not be retroactive unless a retroactive effective date has been expressly authorized by the ADOA Human Resources Director.
- If the request for shift differential is denied, the agency shall not pay shift differential.

Related Documents:

- Request for Shift Differential
- HRIS Pay Code Listing

Corresponding Policies/Guidelines:

None

Contact:

If you have any questions related to Human Resources policy, please contact your agency Human Resources Office/representative.

Policy History (supersedes):

Not applicable