



## REVIEW COMMITTEE

**IBEW**



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### REVIEW COMMITTEE CASE NO. 1787

- DECISION
- LETTER DECISION
- PRE-REVIEW REFERRAL

#### Subject of the Grievances

This file is comprised of five separate grievances from various areas and departments in the system. They all concern the discontinuance of issuing paychecks on Thursdays.

#### Facts of the Cases

This change in practice resulted from the issuance of a letter dated April 15, 1994 issued by the Manager of Payment Services. The letter announced the plan to move to a common closing day for processing paychecks for all weekly-paid employees and the policy concerning paycheck distribution. In relevant part, the letter states: "Beginning April 29, weekly paychecks will be distributed on Fridays. If you are on a work schedule that provides you with Fridays off or allows you to leave early on Fridays, we encourage you to sign-up for 'direct deposit'. Direct deposit will automatically deposit your paycheck into your bank account on payday. "The grievances were filed on behalf of the Electric Department in Oakland, the gas and electric General Construction Department in Oakland and Hayward, the employees at the Auberry Hydro Generation Facility, and the operating clerical employees at Martin Service Center. The Oakland GC employees and the Auberry employees are on ten-hour schedules with every Friday off and the other grievants are on nine-hour schedules with every other Friday off. At the Auberry location there is no one working on Friday to hand out the paychecks. In addition, when the ten-hour schedule was first established by Letter of Agreement 89-71, it contained the following proviso:

"Normally, employee paychecks are available on Thursday, of each pay period, and every effort will be made to disseminate the checks by the end of the working day. However, in rare instances when checks are not available by Thursday of the pay period, checks will be distributed on the following Monday. Overtime will not be paid for that Friday, Saturday or Sunday."

For many employees coming in to pick up their checks on Friday is an inconvenience. One grievant does not drive and makes a two hour round-trip bus ride. In the case of the General Construction employees, many of them are working long distances from home and have the work location on Thursday evenings to take full advantage of the three days off. They either have to wait overnight or until the following Monday. For those who wait overnight they have to pay another night's motel charge yet they would not receive per diem for that next day (it is understood that not all GC employees stay in motels).

#### Discussion

The Union cited the provisions of Section 107.1, the anti-abrogation clause, stating that this change in a long standing practice disadvantaged employees and therefore the change violated the contract. The Union also noted that Sections 204.1 and 304.3 of the Physical Agreement contemplates check distribution on other than Fridays, in the event of a holiday which falls on payday, Friday. The contract provides that payment will be made on the preceding workday. The Union stated that these schedules with their regular non-scheduled workday are tantamount to being a holiday and therefore, payment should be made on Thursdays.

Company responded that a past practice may be discontinued when there is clear governing contract language as in the same Sections of the Wages Title cited by the Union. These sections clearly state:

“Wages shall be paid at biweekly intervals on Fridays for a two weeks' payroll period ending not less than four nor more than ten days prior to the pay date, provided that if the regular pay date falls on a holiday payment shall be made on the preceding workday.”

Further, the Company stated that there are alternatives to issuing paychecks before Friday. Employees can opt for direct deposit, non-scheduled days can be rearranged to fall on Mondays or on non-payday Fridays, or return to 5/8's.

#### Decision

Based on input from line supervision which supports their having the discretion to issue paychecks on Thursdays to employees who are not scheduled to be at work on Fridays, the Review Committee agrees to this limited variance from the general policy of issuing checks only on Fridays. The passing out of available paychecks on Thursday is an accommodation to employees who are not scheduled to work on Fridays and is not a right under the terms of the labor agreement. If the checks are not available, then the employee must make other personal arrangements for getting the paycheck. Employees who receive their checks early should be strongly admonished that they are not to deposit or cash them before the day the check is dated. To do so may subject the employee to reversal of the deposit by the bank

including any fees incurred as a result; disciplinary action; and no further early distribution for that individual employee.

The Review Committee is in agreement that payday remains FRIDAY and that this agreement in no way guarantees or obligates the company to ensuring the delivery of paychecks to worksites on Thursday. Failure to have checks available on Thursdays does not violate the contract. Further, if the company finds that this accommodation continues to result in employees cashing checks early, early distributions may be canceled at the discretion of the company.

This case is considered closed based on the foregoing.

  
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Margaret A. Short, Chairman

10/26/95  
Date

  
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Roger M. Stalcup, Secretary

10/26/95  
Date