

Payment of Wages at Separation  
To all MPP employees (inc. deans), and AA/Ss

Labor Code sections § 201 and § 202 require the CSU to pay separating employees, including Student Assistants, in a specified timeframe. This timeframe differs depending on whether the employee is discharged or has resigned.

**Discharge**

An employee who is involuntarily **discharged** must be paid wages earned (including compensable leave time on books) at the time of discharge. The completion of a temporary appointment or assignment is **not** considered a discharge.

**Resignation**

An employee who **resigns** from employment must be paid wages (including compensable leave time on books) earned no later than 72 hours from the date of separation. However, if the employee provides the employer at least 72 hours notice of his/her impending separation, he or she is entitled to owed wages at the time of separation. The 72 hours is a continuous period that includes weekends and holidays. For example, if an employee resigns without prior notice on Friday at 5:00, the employer has until 5:00 pm the following Monday to pay owed wages.

**Financial Penalties Accrued to Department**

Failure to comply with the Payment of Wages Labor Code sections constitutes a violation of the law and subjects the employer to penalties of up to 30 days of continued wages. Each organizational unit, i.e., department, will be financially responsible for such violations when the violation is due to a failure on the part of that organizational unit to inform Human Resources of a pending employee discharge or resignation immediately upon their knowledge.

**Staff Contact**

In order to avoid penalties, appropriate administrators must notify Staff Personnel Programs (x6771) immediately upon their knowledge of a pending staff employee discharge or resignation. The caller should make the nature of their call clear to the person who answers the phone so that the urgency of the situation is communicated.

**Faculty Contact**

In order to avoid penalties, appropriate administrators must notify the Office of Vice Provost for Human Resources (x5029) immediately upon their knowledge of a pending faculty employee discharge or resignation

To read the full text of HR 2003-15 from which this memo is excerpted, go to <http://www.calstate.edu/HRAdm/pdf2003/HR2003-15.pdf>