

**Pittsburg State University
Interoffice Memorandum
Human Resource Services**

Memo To: Deans, Directors, Chairs, Contact Persons &
Timekeepers

From: Michele Sexton

Date: June 20, 2008

Subject: Implementation of 2008 Minimum Wage Increase

On May 25, 2007, President Bush signed into law the Fair Minimum Wage Act of 2007. The Act increases the federal minimum wage from \$5.15 to \$7.25 per hour over a two-year time period (from \$5.15 to \$5.85; \$5.85 to \$6.55; and \$6.55 to \$7.25). The first increase from \$5.15 to \$5.85 was implemented at PSU on effective pay period July 15, 2007. **The next increase from \$5.85 to \$6.55 will be implemented effective pay period July 13, 2008.**

We have two categories of student employees that are affected by this change: 1) Hourly paid student employees in positions originally or currently paid \$5.85 per hour, including those that have been awarded \$0.25 per hour/ per year of service incentive; and 2) Hourly paid student employees in positions approved to be paid more than \$5.85 per hour from non-General Use funds.

Procedures to change the hourly rate for the different groups are as follows:

1) Hourly paid student employees in positions originally or currently paid \$5.85 per hour, including those that have been awarded \$0.25 per hour/ per year of service incentive:

HRS will increase hourly rates for student employees paid \$5.85, \$6.10, \$6.35 or \$6.60 by \$0.70 cents effective with the July 13, 2008 pay period as follows:

<u>Current rate of pay*</u>	<u>Rate effective 7/13/08</u>
\$5.85	\$6.55
\$6.10	\$6.80
\$6.35	\$7.05
\$6.60	\$7.30

* Current rate is the rate paid on 7/12/08.

Hourly student employees will retain the \$0.25 per hour/per year of service incentive.

DEPARTMENTS WILL NOT NEED TO INITIATE CHANGES FOR THESE STUDENTS. Their pay rates will be changed by HRS.

2) Hourly paid student employees in positions approved to be paid more than \$5.85 per hour from non-General Use funds:

Departments will need to initiate a pay rate change to raise a student's pay rate to a minimum of \$6.55 per hour effective with the July 13, 2008 per period. The department may raise rates above \$6.55 as appropriate for their budget. Rate changes above \$6.55 must be approved by the Vice President, Administration & Campus Life.

Timekeepers: Use the GUS student appointment process to revise the pay rate BY July 18th.

The final increase of the federal minimum wage will occur on July 12, 2009 (\$0.70 increase from \$6.55 to \$7.25 per hour).

Please contact Michele Sexton (x. 4188) or Kayla Devereaux (x. 4121) if you have questions.

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