

**OPERATION OF THE ANNUALISATION OF PROJECTED ANNUAL EARNINGS PROVISIONS**

1. The provisions in this appendix shall apply only to those employees who are covered by clause 3.13 of this Collective Agreement.
2. Process for annualisation of projected annual earnings
  - (a) Annualisation of projected annual earnings (hereafter referred to as annualisation) is only available to:
    - (i) permanently employed support staff employees covered by the collective agreement  
*From the start of 2011:*
      - (ii) support staff employees, covered by the collective agreement, on a fixed term agreement which specifies that they are to be employed from or before the pay period that that is the commencement of the annualisation year defined in (c)(ii) below and for that entire school year.
  - (b) Access to the option of annualisation requires the agreement of an employee and his/her employer. This agreement will be recorded in the template annualisation form which will require the signature of the employee and the authorised representative of the employer.
  - (c) Initial commencement of annualisation
    - (i) The template annualisation form must be completed by the employer and employee and submitted with the applicable Payroll Start of Year forms (due to Payroll centres by approximately 1 December each year).
    - (ii) Any period of annualisation must begin at the start of pay period 23 (i.e. the pay period that begins closest to February 1st) in any year and run until the end of pay period 22 in the following year (12 months).
    - (iii) Other than where there is agreement to discontinue the arrangement, once a period of annualisation has commenced it shall continue for the full twelve month period.
    - (iv) At the beginning of term 2 the employer and employee shall meet to review the annualisation arrangement to ensure that both parties are satisfied that the annualisation calculation is accurate and to ensure that any variations have been addressed.
  - (d) Prior to the parties completing the Payroll Start of Year forms (approximately 1 December) in a year when pay has been annualised the employer and employee will meet to discuss whether they agree to continue the annualisation arrangements for the following year.
  - (e) Renewal of annualisation arrangements
    - (i) The continuation of an annualisation arrangement from year to year will require the continued agreement of the employer and employee. The process outlined in clause 2(b) – 2(c)(i) above will be repeated to determine whether the annualisation arrangement will be continued for the ensuing twelve month pay period.
    - (ii) Where the process for determining that the annualisation arrangement will be renewed is not followed in accordance with these provisions, the default position shall be that the employee's pay will not be annualised for the following year.
  - (f) In the event that an employee believes there to be a discrepancy in the annualisation calculation he/she may request his/her employer to check the calculation.
  - (g) Where an employee commences employment during the year, he/she will not have access to the option of annualisation of projected annual earnings until the following year, at the commencement of the pay period specified in clause 2(c)(ii) above.

3. Definitions
  - (a) 'Actual weekly hours' shall mean the hours per week an employee is normally employed for.
  - (b) 'Projected annual earnings' shall mean:
    - (i) the employee's hourly rate multiplied by the employee's actual weekly hours multiplied by the number of weeks in the ensuing calendar year for which the employee shall be employed; plus,
    - (ii) the annual leave to which the employee is entitled; plus
    - (iii) payment of relevant daily pay for the public holidays and additional paid holidays during the ensuing calendar year which are observed on days of the week on which the employee normally works. Note: For clarity this includes any public holidays that are observed during term breaks and which fall on a day of the week on which the employee normally works. The parties acknowledge that payment of public holidays at the annualised rate as part of the arrangements described in this appendix is not a breach of the Holidays Act 2003.
  - (c) 'Annualisation year' shall mean the twelve month period commencing on the date established for the commencement of a period of annualisation in accordance with clause 2(c)(ii) of this appendix.
4. Calculation and payment of annualised fortnightly rate
  - (a) The annualised fortnightly rate shall be calculated by dividing the projected annual earnings, as described in clause 3 (b) above, by the number of fortnights in the ensuing twelve month period.
  - (b) The annualised fortnightly rate shall be paid each fortnight throughout the twelve month period commencing from the commencement date of the period of annualisation as described in clause 2 (c)(ii) above.
5. Allowances
  - (a) Where the employee has an entitlement to any allowances, the employee and employer may agree to include all or any of the following allowances in an annualisation calculation:
    - (i) First aid allowance;
    - (ii) Qualifications allowance.
  - (b) The following allowances shall not be included in an annualisation calculation and shall be paid only as prescribed by the applicable clauses within the collective agreement:
    - (i) Motor vehicle allowance;
    - (ii) Dirty work allowance;
    - (iii) Overnight allowance;
    - (iv) Meal allowance;
    - (v) Protective clothing (swimwear) allowance.
6. Maintenance of records and recorded rates
  - (a) The employer will be obliged to ensure that they record the employee's actual weekly hours as well as the annualised hours per week (see 'Employer/Employee Annualisation Agreement' form).
  - (b) At the commencement of any period of annualisation, or when annualisation is recalculated as per clause xi, the employee shall be provided with documentation recording the calculation by which those earnings have been annualised. This documentation shall include specific identification of how the following have been incorporated in the annualised rate:
    - (i) any allowances included;
    - (ii) payment for public holidays (exclusive of any payment due under clause 4.1.8);
    - (iii) annual leave.

7. Sick leave  
Where an employee is absent on sick leave or domestic leave, he/she shall be paid for those days at the annualised rate, provided that he/she has an entitlement to payment for those days under clause 4.4 or 4.5 of this collective agreement.
8. Payment for additional hours worked
  - (a) Where an employee works hours over and above the hours that have been included in the annualisation calculation, those additional hours shall be paid in addition to the employee's annualised weekly pay, in the next available pay period
  - (b) Where the additional hours worked are such that the overtime rates described in clause 2.7 of the collective agreement would apply, those hours shall be paid at the overtime rate calculated on the basis of the actual hourly rate (unless the employer and employee have mutually agreed that the time in lieu provision shall apply).
  - (c) Any time worked on a public holiday shall be paid in accordance with clause 4.1.8 and shall be calculated on the basis of the actual hours worked on that public holiday, and shall be paid in the next available pay period.
9. Termination during a period of annualisation
  - (a) Where an employee's employment terminates during a period of annualisation (and the notice of termination required under clause 7.12.1 of this collective agreement has been given), the employer shall provide the employee with two weeks written notice of any monies owed/owing. The final pay shall either:
    - (i) Include payment to the employee of all remuneration to which he/she was entitled for the period worked from the commencement of annualisation for that year until the final day of work; or
    - (ii) Enable the employer to recover any amount owed to the employer as a result of the annualisation process during the period worked from the commencement of annualisation for that year.
  - (b) The notice outlining the sum of monies owed/owing shall include a transparent description of the calculation used to establish that sum.
10. Leave Without pay
  - (a) An employee will continue to be paid at the annualised rate for up to two consecutive weeks of authorised leave without pay.
  - (b) Where an employee has continued to be paid through a period of up to two consecutive weeks of authorised leave without pay, the employer will deduct the resulting monies owed to the employer from the employee in the next available pay.
  - (c) Where an employee's period of leave without pay is
    - (i) unauthorised; or
    - (ii) is authorised but for a period greater than two weeksthe employer will notify the employee that annualisation will be discontinued. In such circumstances a reconciliation payment of any monies owed will be calculated and this will be paid on the next succeeding regularly pay day. If and when the employee returns to work, he/she shall be paid at his/her actual hourly rate for the remainder of the annualisation year. The employer and employee may mutually agree to return to an annualisation agreement from the commencement of the next annualisation year.
11. Changes to pay during a period of annualisation  
Where an employee's regular hours of work changes or his/her pay rate changes a new annualisation form is to be completed and signed by the parties and forwarded to Payroll.