

Subject: SALARY ADVANCE (HARDSHIP)

REFERENCES	SECTIONS
Human Resources Policy Memorandum <a href="http://www.dgs.ca.gov/ohr/Resources/HRPolicyMemos.aspx">http://www.dgs.ca.gov/ohr/Resources/HRPolicyMemos.aspx</a>	09-003
Responsible Control Agency and Program <a href="http://www.dgs.ca.gov/dgs/Home.aspx">http://www.dgs.ca.gov/dgs/Home.aspx</a>	DGS
State Administrative Manual (SAM) <a href="http://sam.dgs.ca.gov/Home.aspx">http://sam.dgs.ca.gov/Home.aspx</a>	8595

## SALARY ADVANCE (HARDSHIP)

**Background** On rare occasions, an employee may experience an unforeseen emergency. The State Administrative Manual, Section 8595, provides agencies authority to establish criteria for issuing a “Hardship” salary advance before payday to alleviate an employee’s serious, unforeseeable emergency or hardship.

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**Unforeseen situations** Unforeseen emergencies or hardships may include:

- Emergency home repairs (storm damage, fire, theft, etc.).
  - Costs for collision or major repairs on a vehicle which is the **sole means** of transportation to work
  - Emergency medical expenses
  - Death in the family
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**Criteria** Criteria used for granting a hardship salary advance includes:

- The hardship was unforeseeable; and
- The request does not exceed the actual expense or the employee’s net earnings to-date. (Whichever amount is less); and
- The amount of pay the employee is due after mandatory and miscellaneous deductions (A new employee has estimated deductions of approximately 40% of their gross earnings.); and
- The employee will not receive more than 3 hardship salary advances in a 12-month period; and
- The situation or event causes an immediate emergency or hardship for the employee or those economically dependent on the employee; and
- The employee must have exhausted all conventional means of obtaining necessary funds elsewhere. Emergency salary advances are a last resort. The employee will be required to demonstrate what other alternatives have been explored.
- The need for the specific amount of the request must be clearly described with copies of substantiating documents showing the amount needed (for example: utility bill, physician bill, statement, airline ticket confirmation, etc); and
- The following required approvals:
  - Immediate supervisor;
  - Manager; and
  - Office/Branch Chief; and
  - DGS OHR Personnel Officer

**SALARY ADVANCE (HARDSHIP),** Continued

	ROLE	ACTION
<b>Process</b>	Employee	Submits the completed DGS OHR 920 form to their attendance clerk, supervisor, or manager for approval.
	Attendance Clerk	Submits form to employees supervisor or manager.
	Supervisor/ Branch Chief	<ol style="list-style-type: none"> <li>1. Verifies the hardship criteria are met and the employee's timesheet reflects a sufficient amount of hours worked to cover the request. <b>Note:</b> Hardship requests cannot exceed the "Approved" time-to-be paid.</li> <li>2. The supervisor notifies their OHR Personnel Specialist of their employee's request and forwards the approved OHR 920 to the Office of Human Resources (OHR) Personnel Transactions Unit in a sealed envelope marked "Confidential/Expedite" for review and approval.</li> </ol>
	OHR Personnel Specialist	<ol style="list-style-type: none"> <li>1. Compares the amount requested on the OHR 920 against the time worked in the pay period. If sufficient pay exists, obtains the OHR Personnel Officer's approval on the OHR 920 and cancels the employee's Direct Deposit.</li> <li>2. Issues the advance and recoups the amount from the employee's warrant in the same pay period.</li> </ol>

**Repayment** The employee shall repay the **entire** amount of the hardship advance within the same pay period. In the event the full pay warrant is released to the employee without clearing this advance, the entire amount will be collected by payroll deduction from the employees next applicable salary warrant according to GC 19838.

**Questions** If you need additional information, please contact your OHR Personnel Specialist.

**Attachment** [Request for Hardship Salary Advance, DGS OHR 920](#)