

## SCA-33

July 29, 1981

This is in response to your letter of May 21, 1981, regarding your firm's obligations under the Service Contract Act (SCA) for furnishing vacation and holiday fringe benefit payments to full-time, part-time, and stand-by (temporary) employees who work on your firm's GSA janitorial service contracts.

As you may be aware, the SCA makes no distinction between full-time, part-time, and temporary employees and the wage and fringe benefit provisions of an applicable determination apply, in the absence of any express limitation to the contrary, to all such service employees working on the contract. (See section 4.150 of Regulations, 29 CFR Part 4, copy enclosed.) While part-time employees may be furnished a proportion of the fringe benefits to which full-time employees are entitled, part-time or temporary employees who normally work a regular schedule of hours and who may only occasionally miss work due to illness or other reasons, should receive the full pro-rata portion of vacation and holiday benefits based on the employees' regular work schedule. Thus, you should not average the number of hours worked in the previous year or previous month, as the case may be, for purposes of computing vacation or holiday benefits for such regularly scheduled employees since such a computation may, by its nature, result in such employees receiving less than the full amount of vacation and/or holiday payments which they are due.

However, in determining vacation and holiday benefits for part-time and temporary employees who work an irregular schedule of hours, the Department will accept, for compliance with the requirements of the SCA, any reasonable and consistently applied method for computing pro-rata benefits. For example, you may furnish such employees a proportion of the vacation benefits due full-time employees based on the number of hours worked in the previous year and similarly, holiday benefits may be furnished such employees based on the number of hours worked in the previous month, as you have proposed. With regard to employees who work part of the year as full-time employees and part of the year as part-time employees, such employees can be considered to have worked an irregular schedule of hours for purposes of computing vacation pay.

Finally, you should be aware that as an alternative to furnishing the vacation and holiday benefits specified in the applicable wage determination, you may discharge your vacation and holiday fringe benefit liabilities by providing any other equivalent combination of bona fide fringe benefits and/or cash equivalent payments under the rules and regulations set forth in sections 4.51 to 4.54 of the Regulations.

Sincerely,

Dorothy P. Come  
Assistant Administrator

NOTE: This letter pre-dates the 1983 regulatory amendments which established more specific rules for computing holiday pay for part-time employees.