Formulas for Calculating Pay

1. Midpoint

$$\frac{(\text{Min} + \text{Max})}{2}$$

AS-608 $8.54-$15.89

$$\frac{(8.54 + 15.89)}{2} = 12.22$$

3rd Quartile

$$\frac{(\text{Mid} + \text{Max})}{2}$$

AS-608 $12.22-$15.89

$$\frac{(12.22 + 15.89)}{2} = 14.06$$

2. Promotion (Same Schedule)

1 Grade 1.07 * Current Salary
2 Grades 1.07 or up to 1.105 * Current Salary
3 Grades 1.07 or up to 1.14 * Current Salary

Current salary = $10.45, AS605; promoted to AS607

Must give 7%
$10.45 * 1.07 =11.1815 = $11.18

May give up to 10.5%
$10.45 * 1.105 = 11.54725 = $11.55

3. Promotion (From One Schedule to Another)

(New Max/Current Max) -1 then:

< 14% 1.07 * Salary

=14 % but <21 % 1.07 or 1.105 * Salary

>21 % 1.07 or 1.14 * Salary

Current salary $15.00, AS-611; promoted to MS-513
Max AS-611 = $19.46 Max MS-513 = $22.07

(22.07/19.46) = 1.1341212 –1 = 13.36%
Eligible for a 7% salary increase

4. Demotion (Same schedule or one to another):

$$\frac{\text{Current Salary}}{1.07}$$

Current salary = $15.00,
AS-609; demotes to AS-608

15.00/1.07 = 14.018 = $14.02

5. Pay

ALL SALARY CALC'S BEGIN WITH EMPLOYEES' HOURLY PAY

Biweekly = Hourly * 80

$10.00*80 = $800.00

Annual = Hourly* 80* 26

$10.00*80*26 = $20,800.00

6. Special Entrance Rate Implementation:

$$\% \text{ Difference} = \frac{\text{New Hire Rate}}{\text{Old Hire Rate}} - 1$$

Old hire rate = $15.00
New hire rate = $17.50

(17.50/15.00) - 1 = .166 = 16.6%

7. Implementing Percent Difference Increase:

1 + (Proposed % Increase) * Current Hire Rate

Current salary of $16.00. Employee eligible for a 15% increase.

$16.00 * 1.15 = $18.40

8. Turnover:

$$\frac{\text{\# Separations}}{\text{\# Employees}}$$

350 employees and 42 separations

42/350 = 0.12 = 12%

TURNOVER IS CALCULATED PER FISCAL YEAR