DATE: February 28, 2003

SUBJECT: Salary Calculation for Non-Standard Pay Schedule Employees

TO: ALL HUMAN RESOURCE DIRECTORS OF ALL
DEPARTMENTS, INDEPENDENT ADMINISTRATIVE
BOARDS AND COMMISSIONS AND OTHER STATE
AGENCIES UNDER THE GOVERNOR'S JURISDICTION

FROM: Nancy Dering Martin
Deputy Secretary for
  Human Resources and Management

     As part of the conversion to the SAP system, the salaries for certain positions not on the Standard Pay Schedule must be roundable to a whole-cent hourly rate. This policy applies to most positions currently assigned to the current various rates schedule, Pay Schedule Z, Pay Range 99 and the current deputy secretary schedule, Pay Schedule A.

     The following is an example of a Deputy Secretary who has been approved for an annual salary of $100,000: Divide the annual salary by 26.08 (pay periods) and then by 75 (hours per week) to produce an hourly rate. The answer derived from the above calculation is $51.1247. In order to produce an SAP-configured annual salary that is not less than the approved salary of $100,000, round up to the nearest penny, regardless of the remainder. In this example, the hourly rate would be rounded to $51.13. This rate is then multiplied by 75 to produce a biweekly rate of $3,834.75. The biweekly is then multiplied by 26.08 to produce an approximate annual rate of $100,010. **This salary calculation policy does not apply to any positions where salaries are set by statute; for example agency heads and certain board members.**

     Please ensure that your transactions staffs are informed of this policy change. If you have any questions on this policy or whom it affects, please contact the Salary Administration Division at 783-8141.

cc: Secretary Barnett
     Ronald Blough