

MCFRS TechTip – Understanding Your Payslip

Background

Recent changes in Oracle now mean that an employee's differential pay will change, based upon his/her number of scheduled hours to work. Previous calculations were based upon 96 hours across the board, whereas the new calculation changes, relative to 72/96/120 hours.

Scenario A – 96-Hour Employee, No Differential, No MIS

The typical 96-hour employee with no MIS has a simple payslip.

Straight 96 Non-MIS and No Differential	Hours	Hourly Rate	Total
Straight 96 Gross	96	22.943	\$2202.53

Scenario B – 96-Hour Employee, Medic Differential

This example is calculated on an annual base salary for a Firefighter III, Step E, \$57,265.

The Regular pay rate equals the yearly annual base salary divided by the number of yearly scheduled hours (2496). The total equals the Hourly Rate multiplied by the number of scheduled Hours Worked (72, 96 or 120).

The medic differential is listed separately (FM code). The hourly rate for the differential is derived by dividing the total differential (\$8,701) by the total hours scheduled to work in a year (2496). Total equals the Hourly Rate (\$3.485) multiplied by the number of scheduled Hours Worked (72, 96 or 120).

The examples below illustrate the 120, 96 and 72 hour pay cycles with the differential.

120 Cycle	Hourly Rate	Hours	Total
Regular	22.943	120	2753.16
Pay Diff FM	3.485	120	418.20
Sub-Total before MIS Pay Back			3171.36
MIS Pay Back	26.428	24	-634.72
120 Cycle Gross			2536.64

72 Cycle	Hourly Rate	Hours	Total
Regular	22.943	72	1651.90
MIS ADVANCE	26.428	24	634.27
Pay Diff FM	3.485	72	250.92
72 Cycle Gross			2537.09

96 Cycle	Hourly Rate	Hours	Total
Regular	22.943	96	2202.53
Pay Diff FM	3.485	96	334.56
96 Cycle Gross			2537.09

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Scenario C – Multiple Differentials

If you are someone who earns multiple differentials (e.g., medic and longevity) in the same pay period, you will see the differentials listed separately on your payslip. While you calculate the rates similarly to the method shown in Scenario B above, here is a screen shot of a payslip with two differentials listed:

Hours and Earnings						
Description	Start Date	End Date	Current Hours	Current Amount	YTD Hours	YTD Amount
Imputed Income				2.58		2.58
Holiday Pay				760.39	16.00	760.39
MIS Fire Adv			16.00	-1,140.56	-24.00	-1,140.56
Overtime Pay			20.50	1,461.37	20.50	1,461.37
Regular Pay			120.00	5,006.55	120.00	5,006.55
Pay Diff FC				138.80		138.80
Pay Diff FM				382.26		382.26
Longevity LS1				175.32		175.32

Please see the Payslip Codes PDF for a list of various line items which may appear on your payslip. Within the document, you will see a breakdown of what appeared on ePayAdvices prior to our implementation of the Oracle Payslip module.

Scenario D – Imputed Income

Some personnel have seen a new line item, *Imputed Income*. (On previous pay stubs, this was listed as *Over 50K*.) According to the payroll department, the IRS requires you to be taxed on the value of employer-provided group term life insurance over \$50,000. The imputed income is provided to calculate your taxable gross and not your actual net pay.