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	21.093	\$2024.96

Scenario B – 96-Hour Employee, Medic Differential

This example is calculated on an annual base salary for a Firefighter III, Step E, \$52,649.

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 (\$7,951) by the total hours scheduled to work in a year (2496). Total equals the Hourly Rate (\$3.185) 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	21.093	120	2531.16
Pay Diff FM	3.185	120	382.20
Sub-Total before MIS Pay Back			2913.36
MIS Pay Back	24.279	24	-582.70
120 Cycle Gross			2330.66

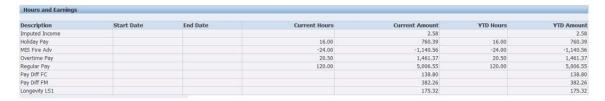
72 Cycle	Hourly Rate	Hours	Total
Regular	21.093	72	1518.70
MIS ADVANCE	24.279	24	582.70
Pay Diff FM	3.185	72	229.32
72 Cycle Gross			2330.72

96 Cycle	Hourly Rate	Hours	Total
Regular	21.093	96	2024.93
Pay Diff FM	3.185	96	305.76
96 Cycle Gross			2330.69

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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:



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.