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APPENDIX C

COMPUTATION OF WEIGHTED BASE SALARY

17-C-1. General. The weighted base salary is defined as that portion of the employee*s annual salary which constitutes pay for actual hours worked. The weighted salary is the base from which the funds will be generated to recoup the leave utilization and government contributions. It is extremely important that reasonable estimates are utilized in the computation to prevent over or understating the effective rate.

17-C-2. Computation. The first step in generating the weighted salary is to estimate the "unfunded leave" utilization for the year. Unfunded leave consists of those leave entitlements for which an accrual of funding is not required (sick leave, military leave, administrative leave, etc.). The CPRO report can be utilized as a guide, however, the report has its limitations.

a. The CPRO report reflects the annual leave usage for those employees who are currently on the payroll. Leave utilization of employees who retire or terminate during the year will not be reflected. Generally this is not a problem unless the installation is experiencing a high turnover rate. A discrepancy will also exist for employees transferring between Corps offices (Districts, Divisions, etc.). When an employee transfers from one payroll block to another, the employee*s leave record transfers with him/her. Any leave utilized by that employee prior to the transfer will be reflected as leave utilization on the gaining FOA*s report even though that leave was paid for by the losing organization. During a period of high turnover, it may be necessary to utilize the biweekly leave reports instead of the CPRO report. It is also important to remember the Military Leave allowance is based on a Fiscal Year not the Leave Year. Therefore at the end of the leave year, the CPRO report will only reflect the Military Leave used from 1 October to the end of the leave year, not a full year.

b. Explanation of Terms. The following is an explanation of the computations included in the example.

(1) The number of "Days" is determined by dividing the number of hours by B and by the number of employees in that leave category.

(2) The "Annual Leave Rate" is standard for each of the leave categories.

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* (3) There are currently 10 "Holidays."

(4) The "Regular Work Days Per Year" will generally be 260 (26 pay periods times 10 days). On occasion, there will be 27 pay periods in the leave year and an additional 10 days must be added.

(5) The "Effective Work Days Per Year" equals the number of "Regular Work Days Per Year" less all the leave days and holidays.

(6) The "Weighted Salary" equals the "Regular Salaries" taken from the CPRO report, divided by the "Reg Work Days Per Year" times the "Effective Work Days."

	CATEGORY 4		CATEGORY 6		CATEGORY 8	
	HOURS	DAYS	HOURS	DAYS	HOURS	DAYS
1991 Leave						
Estimates:						
Sick	6,000	3.38	44,000	6.77	37,500	6.80
Military	120	0.07	3,600	0.55	3,100	0.56
Admin	2,676	1.51	9,672	1.49	8,244	1.50
Law Enforce		0.00		0.00		0.00
Mil Funeral		0.00		0.00		0.00
Home		0.00	0	0.00	0	0.00
Traumatic	500	0.28	500	0.00	1,000	0.18
Annual Leave Rate		13.00		20.00		26.00
Holidays		10.00		10.00		10.00
Reg Work Days						
Per Year		260.00		260.00		260.00
Eff Work Days						
Per Year		231.76		221.11		214.96
Leave Category	# of Employee	Regular Salaries	Effective Work Days	Weighted Salary		
4	222	4,578,773	231.76	4,081,448		
6	812	26,216,059	221.11	22,294,742		
8	689	27,301,403	214.96	22,571,960		
Totals	1,723	58,096,235	667.83	48,948,149		

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