

MEMORANDUM

State of Alaska
Department of Administration
Division of Personnel & Labor Relations

To: Distribution List

Date: October 24, 2007

From:  Nicki Neal
Director

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Subject: Acting in a Higher Range – Pay Entity Changes

This memorandum provides additional guidance on placing employees in acting status in a position in a higher range when the acting position's bargaining unit is paid under a salary schedule with a different pay cycle. This supercedes all prior guidance on this subject.

Procedures:

All rules governing promotion come into play; step placement is determined by comparing the annualized hourly rate (AHR). The AHR determined appropriate on the new salary schedule will then be converted to the pay cycle under which the employee is actually being paid and will be applied through a rate override. The pay cycle, the workweek schedule, and whether they are paid hourly or salaried all needs to be taken into consideration.

For example: If an overtime eligible CO employee (i.e 40 hr/wk, paid hourly) is acting in an overtime exempt SU position (i.e. 37.5 hr/wk, paid salary), the employee will not be overtime eligible while in acting status, will be paid by a converted rate override as though promoted to the SU position and will stay a member of the CO unit, pay CO dues, and remain on CO health insurance.

The calculation for conversion for an overtime eligible biweekly employee who is acting in an overtime ineligible semi-monthly position, is as follows:

$(\text{AHR} \times 1950 \text{ hrs}) / 26 \text{ pay periods} = \text{biweekly salary}$

Or more simplified,
AHR x 75 hrs = biweekly salary

The position the employee is acting in works a 37.5 hr/wk under a semi-monthly pay cycle and is paid a salary. The semi-monthly rate is then converted to the appropriate salary for a biweekly pay cycle. The AHR is the consistent factor to transition between work schedules and pay cycles.

cc:
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