

American Federation of Government Employees, AFL-CIO

AFGE FIREFIGHTERS COUNCIL

Serving Federal Firefighters through Knowledge and Strength



FEDERAL FIREFIGHTER COMPENSATION

FEDERAL FIREFIGHTERS SEMINAR

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FEDERAL FIREFIGHTERS' COMPENSATION

It's hard to know where to start when you want to talk about federal firefighter compensation. In 1985 and before, "pay" was the number one issue for all federal firefighters. It is not today, but there are still a host of problems that existed then and exist now even after the 1998 passage of the Federal Firefighter Overtime Pay Reform Act (commonly referred to as the Pay Bill).

By way of background --

The civil service systems merit principles specifically provide --

"Equal pay should be provided for work of equal value, with appropriate consideration of both national and local rates paid by employers in the private sector, and appropriate incentives and recognition should be provided for excellence in performance."

One would think that the first place for this pay equality would be between federal firefighters and other federal employees but even here, there is disparity. So, why look further or even think about what is the norm in the non-federal sector.

The pay bill addressed quite a bit of the inequity in pay earned by federal firefighters and other federal employees who occupied the same grade and step but not all concerns. And, in order to understand what the problems now are, it is necessary to

take a look at what the situation was (and still is for some federal firefighters not covered by the pay bill.

COMPONENTS OF COMPENSATION AND ISSUES INVOLVED WITH EACH

In examining the total compensation (salary) package received by federal firefighters, there were a number of different issues which surfaced. These specific issues are unique because they do not affect any other group of federal employees in quite the same way nor are they typical of the problems faced by firefighters in the nonfederal sector. At the heart of the matter was the amount of the regular biweekly pay check.

BASE PAY

A General Schedule firefighter must, by statute, receive the same rate of basic pay as any other General Schedule employee in the same grade and step. Thus, a GS-6, step 1, firefighter receives \$30,577 (as of Jan. 1, 2010). In addition, to this basic General Schedule rate, employees are also entitled to receive locality adjustments which reflect the cost of living in their particular area. Thus, General Schedule base pay does vary from locality to locality but it is the same for all of the federal employees in a given area.

However, unlike other General Schedule employees who normally work a 40-hour workweek or a total of 80-hours in a pay period, for a total of 2,080 work hours in a year, firefighters work shifts of varying lengths. DoD firefighters normally work six 24-hour shifts, or 144-hours in every pay period for a total of 3,744 work hours in a year. DVA firefighters normally work 120-hours every pay period. Fire chiefs, assistant chiefs, inspectors and those in fire prevention and inspection positions work varying shifts from 40 to 60-hours per week.

To compensate ff's for working long periods of standby, night, Sundays and holidays, there is another form of pay --

Premium Pay

Firefighters typically work in shifts but they are not considered to be on duty for the entire time of each shift. Rather, they are considered to be on-duty for 8-hours of each 24-hours (regular duty time) with the remaining period of time being considered standby time. This standby time is regularly scheduled and requires firefighters to remain at the duty station. Therefore, by statute, (5 U.S.C. §5545(c) (1)), firefighters were and those not covered by the Pay Bill are provided additional compensation, (premium pay), on an annual basis, for this standby time. (Also considered to be additional compensation for working nights, hazardous duty pay, holidays, etc. and all other forms of so-called generically in title 5 as "premium pay")

In the past, premium pay for firefighters who worked 144-hours in a biweekly period was calculated at the rate of 25% of so much of the firefighter's basic pay (regular, annual GS salary) as did not exceed the basic pay for a GS-10, Step 1 position. And, pursuant to 5 U.S.C. §5547, the firefighter's base pay plus premium pay and overtime for any pay period could not exceed the maximum basic rate paid to a GS-15.

OVERTIME

In addition to the regular GS basic salary plus the premium pay, firefighters who worked a regularly scheduled week in excess of 106-hours in a biweekly period, were entitled to overtime pay in accordance with the Fair Labor Standards Act, ("FLSA"). Unlike usual overtime provisions where employees are paid overtime for hours worked in excess of 40 per week,

firefighters are compensated for hours in excess of an administratively-set average -- an average currently set by the Department of Labor at 106 hours per biweekly work period. This is in recognition that part of the regular tour of duty consists of standby and sleep time when firefighters are free to pursue their own personal objectives so long as they remain ready to respond.

PROBLEMS CAUSED BY ACTUAL PAY COMPUTATION

On an hourly basis: the regular employee is paid for 2,080 hours per year (40-hours per week x 52 weeks per year). By statute, however, 5 U.S.C. §5504, his hourly wage is found by dividing his annual salary by 2,087.¹

The firefighter works 3,744-hours per year (144-hours every two weeks x 26 biweekly pay periods per year). If the total 3,744 hours worked is divided into his annual salary plus premium pay, his average hourly wage was decidedly lower than a 40-hour per week employee at the same grade and step without factoring in FLSA overtime. If the FLSA overtime is factored in, then the firefighter still received about 25% less per hour compared to another employee who regularly works an 80-hour biweekly tour of duty. Clearly, the firefighter was not earning as much per hour as the 40-hour per week at the same grade and step earned.

1 The change from 2080 actual hours to 2087 hours was done as a budget measure by passage of Pub. L. 97-253, Title III, §310(b), Sept. 8, 1982, 96 Stat. 599, as amended Pub. L. 97-346, §3(1), Oct. 15, 1982, 96 Stat. 1659, Pub. L. 98-117, §1, Oct. 11, 1983, 97 Stat. 802, which provided:

(1) Notwithstanding any other provision of law, effective with respect to pay periods beginning in fiscal years 1984 and 1985, and applicable in the case of an employee as defined in section 5504(b) of title 5, United States Code [(subsec. (b)(1) of this section)], shall be derived by dividing the annual rate of basic pay by 2,087.

(2) Paragraph (1) shall not apply in determining basic pay for purposes of subchapter III of chapter 83 of title 5, United States Code [sections 833] et seq. of this title.

The result is to slightly reduce the bi-weekly salary and was enacted as a cost-savings measure.

This basic pay inequity might have been somewhat lessened if the method used to calculate overtime for firefighters were different. However, the method of calculating overtime for firefighters was approved by the Courts a long time ago. (Zumerling v. Devine, 769 F.2d 745 (Fed. Cir. 1985)).

Overtime for regular employees is figured on the basis of their hourly wage. The hourly wage is determined by dividing the annual salary by the 2,087 statutory hours in a work year.

The overtime hourly rate for Federal firefighters was (and still is for firefighters not covered by the Firefighters Pay Bill), determined in a totally different fashion. The basic hourly rate of pay for overtime purposes is determined by taking the firefighters' biweekly salary plus the biweekly premium pay and dividing that sum by the number of hours in the regularly scheduled tour of duty or, 144-hours for the DoD line firefighter

To complicate matters further, the Courts have held that the base pay plus the premium pay fully compensates firefighters for all hours in their regular tour of duty which, in the example, is 144-hours. Therefore, for the FLSA calculation for tours of duty not exceeding 144-hours, the firefighter received only one-half of their hourly rate for each hour over the FLSA 106 base and up to 144. After 144-hours, then the firefighter received one and one-half times the overtime hourly rate for each additional hour over 144 in the biweekly pay period. Again, this is in sharp contrast with the regular GS-6, step 1 employee working 40 hours per week who receives true time and one-half for each hour over 40-hours worked in a week.

Other issues impacting the bi-weekly pay check --

PROGRESSION THROUGH THE SALARY RANGE --

The General Schedule is divided into fifteen grades and each grade into ten steps. Progression or movement through the entire salary range for a grade, according to the time-in-grade requirements, would take eighteen years. For many occupations, this is comparable to the private sector pay progression movement. It is not for firefighters. Nonsupervisory firefighters, including engineers, in the nonfederal sector move from the entry level to the maximum step in the pay range in an average of eight years. After eight years, the average nonfederal firefighter begins to receive longevity pay. The annual longevity payment is 7%, an amount which is significantly higher than the just over 3% average step differential under the General Schedule. This results in an even wider pay gap for firefighters who have seven or more years of service when compared to their nonfederal counterparts.

While this problem was recognized by the Office of Personnel Management's Task Force on Law Enforcement and Protective Occupations in 1992, to date, no specific efforts have been made to address this problem. It could be addressed in the same manner as was recommended for law enforcement officers which is that after the passage of the relevant waiting period, the employee advances two steps rather than one.

SUPERVISORY DIFFERENTIAL

In the nonfederal sector, each rank has a fixed pay differential above the next lower rank. Therefore, any firefighter who is promoted and/or who accepts a supervisory position is assured of receiving compensation higher than that received by his subordinates or the salaries of those that he supervises.

The federal sector makes no provision for a supervisory pay differential. Often, a firefighter who accepts a promotion suffered a reduction in his take home pay. This is caused by a number of factors and resolution is complex. This was somewhat addressed by the Pay Bill but not entirely.

LOSS OF PREMIUM PAY

The administrative work week for many firefighters who accept promotions or move to supervisory positions consists of fewer hours. This can result in a reduction in the percentage or even the total loss of premium pay. The reason for this is that while the base salary may be higher, (the difference in a grade promotion is just over 11%), premium pay can be up to 25% of base pay. If fewer hours are worked or even an insufficient number of hours to permit the payment of any premium pay, its loss or reduction can outweigh the grade increase. Again, this was somewhat addressed by the Pay Bill but not entirely.

CAP ON PREMIUM PAY

Even if the promotion does not affect the tour of duty and the firefighter remains entitled to premium pay at the rate of 25% of his base salary, there is a cap on the calculation base for premium pay as well as on the total amount which can be received. The calculation base was limited to the lesser of the actual salary or pay at the level of a GS-10, step 1. This often means an effective reduction particularly for those who move to positions at the GS-9 and above level. The cap now has been raised to GS-15, step 10 and so there are few who are affected by it.

LOSS OF OVERTIME PAY

Finally, firefighters have come to rely on FLSA overtime pay paid for their regularly scheduled tour of duty in excess of 106-hours in a biweekly period. For fighters who normally work 144-hours, they regularly receive 38-hours of overtime. This is lost when a firefighter accepts a promotion to a supervisory position which exempts them from the FLSA overtime. See Section on discussion of FLSA (exempt and nonexempt). No matter how many hours they work, they are not entitled to overtime pay if they are exempt.

Overtime pay can also be reduced when a firefighter accepts a promotion which does not exempt them from overtime if the promotion is to a position which requires the firefighter to work fewer hours than he regularly worked prior to his promotion. The result is that even though the promotion may be to the next higher grade, it can effectively reduce the amount of the take home pay and result in less pay than that received by those he supervises.

Finally, the total amount of pay a firefighter may receive is capped. A firefighter's total salary (base pay plus premium pay plus overtime pay) cannot exceed the base pay for a GS-15, step 10. If a firefighter works many hours and is entitled to 25% premium pay, and particularly if he is also entitled to FLSA overtime pay, he can lose money on promotion and in many instances, simply cannot afford to move up the career ladder not only to the detriment of his career but to the detriment of the fire services' profession.

WHAT DID THE PAY BILL ACTUALLY DO –

FEDERAL FIREFIGHTERS OVERTIME PAY REFORM ACT OF 1998

(FIREFIGHTER PAY BILL OR PAY BILL)

THE BILL WAS A COMPROMISE - THE ADMINISTRATION AGREED TO SUPPORT A REFORM MEASURE IF IT WOULD COST NO MORE THAN \$144 MILLION AND IF, THE GROUPS REPRESENTING FIREFIGHTERS COULD GET IT PASSED WITHOUT THE HELP OF THE ADMINISTRATION.

The proposal resulted in firefighters receiving about 75% of the general schedule hourly rate, on average, and resulted in an increase in pay for most firefighters of over 9%. That meant that with the general schedule pay increase of approximately 3.6% in January 1, 1999, firefighters who worked 144 hours each bi-weekly period took home pay checks that were anywhere from 12% to 25% higher than they were before the bill's enactment.

SUMMARY OF FEATURES OF THE FEDERAL FIREFIGHTERS OVERTIME PAY REFORM ACT OF 1998

*** Who Was Covered?**

The Act covers employees under the GS-081 series who either work 24 hour shifts or who work 40+, that is a basic 40-hour workweek plus a period of time in a standby status (primarily Chiefs and Assistant Chiefs)

*** How Will Future Increases Be Determined:**

The Act is based on the General Schedule (GS) Pay System and firefighter pay will continue to be subject to the GS rules for pay administration. All future increases, both ECI (cost-of-living) and Locality, applicable to the GS pay system will apply to firefighter pay.

*** How Does It Work In General?**

-- Premium Pay is eliminated

-- Uses simple hourly rate with time-and-one-half for overtime pay for both FLSA-covered and FLSA-exempt firefighters

-- Divides firefighters into three categories based on hours worked: (1) 40-hour per week; (2) 40+hours per week (basic workweek of 40 hours plus some hours of standby/sleep time), and (3) 24-hour shift employees

-- Firefighters working regular 40 hour weeks will continue to be paid under the same rules as other GS employees

-- Special pay protection for small number of 24-hour shift firefighters with 56-60 hour average workweeks who might otherwise suffer reduction in pay equal to approximately two within-grade steps

*** Pay for 24-Hour Shift Firefighters:**

-- Annual GS rate is divided by **2756** (52 weeks x 53 hours which is FLSA non-overtime basis). This is the basic firefighter hourly rate.

-- Base pay equals the number of hours worked up to 53 per week or 106 bi-weekly times the firefighter hourly rate.

-- Overtime rate equals 1-1/2 times the individual's basic firefighter hourly rate for all hours worked in excess of 106 in a bi-weekly period.

* Pay for 40+ Hour Firefighters:

- For first 40 hours, use hourly rate derived by dividing annual GS rate by 2087
- For hours between 40 and 53, use basic firefighter hourly rate derived by dividing annual GS rate by 2756.
- Overtime rate equals 1-1/2 times the individual's basic firefighter rate for hours worked over 53.

* Pay for 40 Hour Firefighters

- For first 40 hours, use hourly rate derived by dividing annual GS rate by 2087
- For hours over 40 which are not standby or sleep time, the overtime rate is 1-1/2 the hourly rate determined by dividing the annual GS rate by 2087

* What About the GS-10/Step 1 Cap:

The GS-10/step 1 cap was not repealed by the Pay Bill. Overtime calculations for firefighters were subject to the maximum overtime cap of pay for a GS-10, step 1, but the cap has since been repealed and now is at the GS-15, step 10 level.

* What Counts For Retirement, life insurance, severance pay, non-foreign COLA's and post differentials, OWCP Continuation of Pay, and advances in pay

- For 24-hour shift firefighters, retirement contributions are based on an amount equal to the firefighter rate times the number of hours in the regular tour of duty (144 hours for most DOD firefighters).

-- For 40+ hour firefighters, retirement contributions are based on an amount equal to the regular GS pay for 40 hours plus the firefighter rate times the number of hours in excess of 40 in the regular tour of duty.

- Training:

For FLSA covered firefighters, the Act provides that there will be no loss in regular bi-weekly pay when a firefighter is sent for training which may be for a lesser number of hours than the total hours in the regular tour of duty.

OTHER PROVISIONS OF THE PAY COMPROMISE AGREEMENT

DOD would not seek to repeal the moratorium on contracting-out and DVA will not pursue contracting efforts.

OPM would establish a Task Force to discuss revisions to the GS-081 Series specifically for the purpose of determining whether the performance of HazMat and EMS duties should be grade controlling

Administration agreed it would not support any agency efforts to change tours of duty or alter staffing if the rationale for making such changes was based on the cost of implementing the Federal Firefighters Overtime Pay Reform Act.

CALCULATION OF PAY FOR FIREFIGHTERS COVERED BY THE FEDERAL FIREFIGHTERS OVERTIME PAY REFORM ACT OF 1998

PRELIMINARY DETERMINATION

A. Do you regularly work 24-hour shifts? If so you are covered by the Pay Bill and should calculate pay according to the rules applicable to 24-hour shift firefighters.

B. Do you work a regular workweek of 40 hours plus additional hours spent in a standby/sleep status? (This is most usually a Chief or Assistant Chief who works a 40-hour workweek plus one sleepover). If so, you are covered by the Pay Bill and should calculate pay according to the rules applicable to 40+ firefighters.

If you are not a 24-hour shift firefighter or not a 40+ firefighter, then the provisions of the Pay Bill **do not** apply to the calculation of your pay. Your pay will continue to be calculated according to other provisions of title 5 including the payment of premium pay. Those whose pay is calculated according to the Pay Bill no longer receive premium pay.

SPECIAL RULES

A. The overtime rate is subject to the GS-15, step 10 cap but shall not be less than the firefighter rate.

B. If you were a 24-hour shift firefighter and your regularly scheduled tour of duty was 60 hours or less per week when the law was passed or changed to 60 hours prior to October 8, 2000, you were entitled to a two-step increase as of the first full pay period in October, 1998. This did not affect your waiting period for future within grades.

There was a caveat to the two-step adjustment that applied to those who were at steps 9 or 10 when the Pay Bill was passed. For these people, a determination was made of a so-called deemed rate of pay so that they received the equivalent of a two-step increase.

Note: If you were hired after the pay bill was effective (the first full pay period in October, 1998), then you were not entitled to a two-step increase. Pay will simply be calculated according to the methodology shown later in this Section.

C. Firefighters paid under the Pay Bill no longer receive premium pay on an annual basis and they are not entitled to receive additional pay for holidays, night, Sunday or other differential pay. The holiday issue was not addressed in the pay bill. It is an issue that AFGE will be pursuing or legislatively.

D. The Pay Bill did not address the issue of leave accrual and conversion. This issue is one that AFGE will pursue at the appropriate time either administratively or legislatively.

PAY CALCULATION METHODOLOGIES

A. For 40+ Firefighters:

1. Determine your base plus locality pay as shown on a pay chart for your locality under your grade and step.
2. Divide the amount determined in step 1 by 2087. This is the basic hourly rate.
3. Divide the amount determined in step 1 by 2756. This is the firefighter hourly rate
4. Determine the number of hours worked per week (DVA) or per pay period (DOD).
5. For the first 40 hours worked each week (DVA) or 80 hours per pay period (DOD), multiply the number of hours times the base hourly rate determined in step 2.
6. For the next 13 hours per week (DVA-hours worked between 40 and 53) or 26 per pay period (DOD-hours worked between 80 and 106), multiply the number of hours times the firefighter rate determined in step 3.
7. For all hours worked over 53 per week (DVA) or 106 per pay period (DOD), multiply the number of hours times 1-1/2 times the firefighter rate determined in step 3.
8. Add the amounts determined in steps 5, 6 and 7. This is your total weekly pay (DVA) or biweekly pay (DOD).
9. To determine the amount that retirement contributions are based on, add the amount determined in step 5 plus the firefighter rate times the total number regularly scheduled hours over 40 per week (DVA) or 80 hours in a pay period (DOD). The total is the amount that is creditable for retirement purposes.

B. For 24-hour shift firefighters:

1. Determine your base plus locality pay as shown on a pay chart for your locality under your grade and step.
2. Divide the amount determined in step 1 by 2756. This is the firefighter hourly rate
3. Determine the number of hours worked per week (DVA) or per pay period (DOD).
4. For the first 53 hours worked each week (DVA) or 106 hours per pay period (DOD), multiply the number of hours times the firefighter hourly rate determined in step 2.

5. For all hours worked over 53 per week (DVA) or 106 per pay period (DOD), multiply the number of hours times 1-1/2 times the firefighter rate determined in step 2.
6. Add the amounts determined in steps 4 and 5. This is your gross total weekly pay (DVA) or biweekly pay (DOD).
7. To determine the amount that retirement contributions are based on, multiply the total number of regularly scheduled hours per week (DVA) or per pay period (DOD) by the firefighter rate. Do not include unscheduled overtime. The total is the amount that is creditable for retirement purposes.

CALCULATION OF PAY FOR FIREFIGHTERS NOT COVERED BY THE FEDERAL FIREFIGHTERS OVERTIME PAY REFORM ACT OF 1998

BASE PAY

Firefighters are paid on a biweekly basis as are all other General Schedule employees. (5 U.S.C. §5504(a)). The biweekly amount is determined by dividing the annual rate of basic pay by 2087-hours per year and multiplying that rate by the 80-hours in a regular work period. (5 U.S.C. §5504(b)). It makes no difference that firefighters work 80, 112, 120 or 144-hours in each biweekly period. All GS-6, step 1 employees, including firefighters, receive bi-weekly base pay calculated as follows:

annual salary/2087 hours per year = General Schedule hourly rate

GS hourly rate x 80-hours in pay period = Base bi-weekly pay

PREMIUM PAY

In addition to base pay, employees who work during certain hours (night differential) or days (Sundays and Holidays) or who work hours beyond their normal work schedule (overtime or standby time) are entitled to additional pay which is collectively referred to as premium pay.

The amount of premium pay is determined in accordance with regulations promulgated by OPM. (5 U.S.C. §5548). In general, it can be an amount not to exceed 25% of base pay. It can be paid on an annual basis when the employee works on a regular basis at night, on Saturdays, Sundays or on Holidays or, as most Federal firefighters do, works a tour of duty which includes a significant period of standby time. It can also be received under more than one section (§5542-title 5 overtime, §5545-night, standby, hazardous duty, or §5546-Sunday or holiday), provided that in no biweekly pay period can the total amount paid exceed the amount paid to a GS-15, Step 10. (5 U.S.C. §5547).

For most firefighters, whose regular biweekly tour of duty is 144-hours; premium pay is paid at the rate of 25% and is calculated on an annual basis. Thus, firefighters not covered by the Pay Bill and who are entitled to receive premium pay on an annual basis at 25%, the bi-weekly amount of premium pay will be calculated as follows:

annual salary x 25% premium pay rate = total amount of premium pay

total premium pay amount/2087 hours per year = premium pay hourly rate

premium pay hourly rate x 80-hrs. in pay period = amount of premium pay per pay period

OVERTIME AND HOW TO COMPUTE IT

As a general rule, employees throughout the United States who work beyond eight hours in a day or 40-hours in a week, receive overtime pay. The overtime pay is a simple calculation of one and one-half times the regular hourly rate. Firefighters also receive overtime but they must work more hours to receive it. In general, overtime pay entitlement for firefighters begins after they have worked more than 106-hours in a biweekly period. The additional hours are in recognition of standby and sleep time.

Federal employees also receive overtime. The Fair Labor Standards Act ("FLSA") did not always cover federal employees and so their right to overtime pay was originally established under Title 5 of the United States Code. When the overtime provisions of the Fair Labor Standards Act became applicable to Federal employees, the right to overtime under Title 5 was not repealed. This meant that Federal employees were entitled to overtime under both Title 5 and the FLSA and the rules for entitlement and for calculation of the overtime amount were different under the two statutes. Employees entitled to overtime could not receive both title 5 and FLSA overtime. They received the higher of the amount produced under the two calculations. This was changed by the passage of FEPCA in 1990. One of its provisions which was later clarified by a subsequent amendment, provided that overtime for firefighters was to be calculated in accordance with the provisions of the Fair Labor Standards Act only.

As mentioned above, the Fair Labor Standards Act provides that regular employees must receive overtime for hours in the tour of duty in excess of eight hours in a day or 40-hours per week. It has a special provision applicable to firefighters. They must be paid overtime for hours

in excess of 106-hours per week. In calculating overtime, FLSA mandates that the hourly rate used must reflect full or total compensation. For firefighters, this means the hourly FLSA overtime rate must reflect both base and premium pay.

Federal firefighters' pay must be calculated manually because of the way overtime is determined and this often results in errors. There are several key factors to remember in determining the amount of Federal firefighter's overtime:

1. The FLSA hourly rate for overtime hours for most firefighters is determined by dividing the biweekly salary (base plus premium) by the number of hours in the regular, biweekly tour of duty. For most DoD firefighters, there are 144-hours in the regular tour of duty. Obviously, this yields a low hourly rate, but a Court of Appeals decision (see Zumerling v. Devine, Supplement to Handbook) affirms this methodology as a reasonable method of determining the hourly rate. The decision was premised on the conclusion that the General Schedule salary is full compensation for all hours in the regular tour of duty and that while FLSA mandates the payment of overtime, the determination of the hourly rate is left to OPM.
2. Under FLSA, overtime must be paid to firefighters for all hours over 106 at time and one-half or for DoD firefighters, for 38-hours. Under Title 5, base plus premium pay is considered to be full pay for the regular tour of duty or for all 144-hours. Therefore, rather than receiving time and one-half for the 38-hours of overtime, firefighters only are entitled to an additional one-half of the FLSA overtime rate. Said another way, a firefighter is deemed to have been paid for the regular "time". The "one-half" is equal to one half of the hourly rate determined as explained in item 1 above.
3. For overtime hours over 144 under FLSA, you must be paid time and one-half of the hourly rate determined in item 1 above.

The following are examples of overtime pay calculations:

Example 1.

A GS-6, step 1, has an established period or tour of duty of 7 days and is regularly scheduled to be on duty for 18 hours per shift for a total of 126 hours in a bi-weekly period.

Base Pay Under Title 5:

GS-6/Step 1 Annual Salary \$34,907 (2010 rate for Rest of U.S.)

Annual salary of \$34,907/2087 = hourly rate of \$16.73

Hourly rate of \$16.73 x 80 hours = Bi-weekly base pay of \$1,346.40

Premium Pay Under Title 5:

Annual salary of \$34,907 x 25% premium pay rate = \$8,726.75

Annual Premium Pay Rate of \$8,726.75/2087 = \$4.18 premium pay hourly rate

Premium pay hourly rate of \$4.18 x 80 hours = Bi-weekly premium pay of \$334.52.

I encourage each of you to read, and reread the section in Volume I of the Manual. This gives a thorough explanation of the problems with firefighter pay and an excellent chronology of the efforts to address it – it took almost 15 years to reach the agreement that resulted in the Pay Bill. This was not a perfect fix but it addressed a number of issues

Firefighters are now paid for all hours that they work

Firefighters are now paid true time and 1/2 for hours they work over the FLSA set limit of 53 hours per week

Most importantly, in today's climate, firefighter pay is based on the General Schedule – to understand the full import of this, I only need to pose the following question –

Would you all agree that the larger the group is the harder it is to oppose them –

Now having answered that affirmatively – in today's political climate which is to cut whatever can be cut – where do you think firefighters would be if they had a separate pay system – they would be a target – just lower than entire system. So, while all federal employees are under attack, at least you cannot be easily targeted – if you were under your own pay system and the salary scale was reduced, it would be decades before you could again have it raised.

Overtime Under FLSA:

Total Pay

Basic pay	\$1,346.40
Premium Pay	<u>334.52</u>

Total Pay for 144-hours of work \$1,680.92

FLSA Hourly Overtime rate

\$1,680.92 total pay /126 hours in bi-weekly tour of duty = \$13.34

Overtime hours worked

126-hrs. tour of duty - 106 hrs. FLSA = 20-hours

Overtime pay

1/2 (already paid for 126) x \$13.34 x 20hrs. overtime = FLSA overtime of \$133.40

Thus, the employee's bi-weekly gross paycheck equals:

Basic Pay	\$1,346.40
Premium Pay	334.52
FLSA Overtime	<u>133.40</u>
Total	\$1,814.32

Example 2.

A GS-6, step 1, has an established period or tour of duty of 7 days and is regularly scheduled to be on duty for 18 hours per shift for a total of 126 hours in a bi-weekly period. In addition, he works an additional 40 hours for one bi-weekly period.

Base + Premium + Overtime For Regular Tour Under Title 5:

See Example 1 above: \$1,814.32

Additional Overtime Under FLSA:

The employee has a regularly scheduled tour of duty of 126-hours and is entitled to receive the same pay as set forth in Example. In addition, the employee is entitled to one and one-half times the FLSA overtime hourly rate for the additional 40 hours. Computation of the additional overtime pay for the bi-weekly period is as follows:

Additional Overtime

1-1/2 x \$13.34 x 40-hrs additional FLSA overtime

\$ 533.60

Therefore, the firefighter will receive the following for the weekly period which includes 40 hours additional beyond his normal tour of duty of 144 hours.

Basic Pay	\$1,346.40
Premium Pay	334.52
FLSA Overtime	133.40
Additional Overtime	<u>533.60</u>
Total	\$2,347.92

Note: When a firefighter works an additional shift that is 24-hours, he may be subject to the "two-thirds" rule and care should be taken that application of the so-called "two-thirds" rule is not erroneously applied. In order to apply the so-called "two-thirds" rule (2/3 of each 24-hours is considered duty and 1/3 or 8-hours is considered sleep time). In applying the rule, the firefighter (1) must work for a period longer than a full 24-hours and (2) must specifically have an appropriate place to sleep and be allowed more than two hours of uninterrupted sleep.