Fact Sheet: How to Compute

Rates of Pay

Background

Hourly and biweekly rates for General Schedule employees are computed under 5 U.S.C. 5504. Premium pay is computed under 5 U.S.C. chapter 55, subchapter V, and 5 CFR part 550, subpart A. The rates are computed based on an employee's annual rate of basic pay, including any applicable special rate supplement or locality payment. (Note: Overtime pay for nonexempt employees is computed under the Fair Labor Standards Act, subject to some special rules for Federal employees. See 5 CFR part 551. In addition, firefighters covered by 5 U.S.C. 5545b are subject to special rules for computing hourly rates and overtime pay. See 5 CFR part 550, subpart M.)

Procedure

Follow the rules below to compute rates of pay. (Note: The examples below are based on annual rates that have been increased by a locality pay percentage of **32.49%**. See Salary Table 2023-DCB.)

1. **Hourly Rate.**

   Divide annual rate of basic pay by 2,087 hours.
   GS-9, step 1 = $ 64,957.
   $ 64,957 / 2,087 hours = $ 31.12.

2. **Biweekly Rate.**

   Multiply hourly rate of basic pay by 80 hours.
   $ 31.12 x 80 hours = $ 2,489.60.

3. **Title 5 Overtime Hourly Rate**
    a. **if employee's rate of basic pay is less than rate of basic pay for GS-10, step 1**

    Multiply hourly rate of basic pay by 1.5.
    $ 31.12 x 1.5 = $ 46.68.

    b. **if employee's rate of basic pay is more than rate of basic pay f or GS-10, step 1**

    Use the greater of (1) the GS-10, step 1, hourly rate of basic pay multiplied by 1.5 OR (2) the employee's hourly rate of basic pay. (5 CFR 550.113)

    GS-10, step 1 = $ 71,531.
    $ 71,531 / 2,087 hours = $ 34.27. $ 34.27 x 1.5 = $ 51.41.

    GS-14, step 1 = $ 132,368. $ 132,368 / 2,087 hours = $ 63.43.

    In this example, the employee's hourly rate of basic pay ($63.43) is greater than the GS-10, step 1, hourly rate of basic pay multiplied by 1.5 ($51.41). Therefore, the employee's title 5 overtime hourly rate is equal to his or her hourly rate of basic pay.

4. **Night Pay.**

Multiply hourly rate of basic pay by 10%. (5 CFR 550.121)
GS-9, step 1 = $ 64,957.
$ 64,957 / 2,087 hours = $ 31.12.
$ 31.12 x 0.10 = $ 3.11.

5. Weekend Premium Pay.

Multiply hourly rate of basic pay by 25%. (5 CFR 550.171)
$ 31.12 x 0.25 = $ 7.78.

6. Holiday Premium Pay.

Multiply hourly rate of basic pay by number of non overtime hours worked on holiday (not to exceed 8 hours or the number of non overtime hours of a compressed work schedule). (5 CFR 550.131 and 5 CFR 610.407)
$ 31.12 x 8 hours = $ 248.96