

## Examples of January 1997 Pay Computations

Below are examples showing how various categories of employees will be affected by the January 1997 pay adjustments. Annual rates are shown. The annual rate providing the highest entitlement would be used to calculate the employee's hourly rate used in biweekly pay computations. (An hourly rate is computed by dividing the annual rate by 2,087 and rounding the result to the nearest cent.)

<b>1. GS employee</b>	
Grade/step: GS-9, step 5 Location: "Rest of U.S." pay area	
1996 GS rate	\$32,768
1996 locality rate	<b>\$34,121</b> (\$32,768 x 1.0413)
1997 GS rate	\$33,521 (after 2.3% increase)
1997 locality rate	<b>\$35,133</b> (\$33,521 x 1.0481)

<b>2. GS employee promoted on same day that 1997 pay adjustments take effect</b>	
Grade/step: GS-11, step 5, before promotion Location: "Rest of U.S." pay area	
First, apply general pay adjustments to GS-11, step 5, rate.	
1996 GS rate	\$39,645
1996 locality rate	<b>\$41,282</b> (\$39,645 x 1.0413)
1997 GS rate	\$40,558 (after 2.3% increase)
1997 locality rate	<b>\$42,509</b> (\$40,558 x 1.0481)
Then, process promotion to GS-12 using the 2-step rule.	
1997 GS rate	\$44,320 (GS-12, step 2, is the lowest GS-12 step rate that equals or exceeds the GS-11, step 7, rate of \$42,944)
1997 locality rate	<b>\$46,452</b> (\$44,320 x 1.0481)

### 3. GM employee

Grade/step: GM-13, step 00 (not on step)  
Location: Washington, DC

1996 GM rate	\$60,450	
1996 locality rate	<b>\$64,101</b>	(\$60,450 x 1.0604)
1997 GM rate	\$61,840	(after applying 2.3% increase as described in OPM regulations at 5 CFR 531.205(a)(2))
1997 locality rate	<b>\$66,237</b>	(\$61,840 x 1.0711)

### 4. GS-11 employee receiving a retained rate of pay

Grade/step: GS-11, step 00 (above rate range)  
Location: "Rest of U.S." pay area

1996 retained rate	\$48,392	
1996 locality rate (No special rate.)	<b>\$50,391</b>	(\$48,392 x 1.0413)
1997 retained rate	\$48,916	(\$48,392 plus \$524, where \$524 is one-half of the dollar increase in the GS-11, step 10, rate from 1996 to 1997; $(\$46,523 - \$45,475) \div 2 = \$524$ )
1997 locality rate	<b>\$51,269</b>	(\$48,916 x 1.0481)

### 5. Special rate employee where special rate exceeds locality rate

Grade/step: GS-5, step 1  
Location: Washington, DC

1996 GS rate	\$19,081	
1996 locality rate	\$20,233	(\$19,081 x 1.0604)
1996 special rate	<b>\$20,989</b>	
1997 GS rate	\$19,520	(after 2.3% general increase)
1997 locality rate	\$20,908	(\$19,520 x 1.0711)
1997 special rate	<b>\$21,473</b>	(after 2.3% increase)

**6. Special rate employee where locality rate exceeds special rate for first time in January 1997**

Grade/step: GS-6, step 1  
 Location: Washington, DC

1996 GS rate	\$21,269	
1996 locality rate	\$22,554	(\$21,269 x 1.0604)
1996 special rate	<b>\$22,687</b>	
1997 GS rate	\$21,758	(after 2.3% general increase)
1997 special rate	\$23,208	(after 2.3% increase)
1997 locality rate	<b>\$23,305</b>	(\$21,758 x 1.0711)

**7. Interim Geographic Adjustment (IGA) continued rate**

Grade/step: GS-12, step 9 (Engineer, Special Rate Table 414)  
 Location: New York, NY

1996 GS rate	\$53,110	
1996 nationwide special rate	\$54,508	(Table 414)
1996 locality rate	\$57,385	(\$53,110 x 1.0805)
1996 IGA continued rate	<b>\$58,644</b>	(originally established in January 1994; see 5 CFR 531.703)
1997 GS rate	\$54,330	(after 2.3% general increase)
1997 nationwide special rate	\$55,760	(after 2.3% increase)
1997 locality rate	\$59,301	(\$54,330 x 1.0915)
1997 IGA continued rate	<b>\$59,864</b>	(\$58,644 plus \$1,220, where \$1,220 is the dollar increase in the underlying GS-12, step 9, rate from 1996 to 1997; \$54,330 - \$53,110 = \$1,220)
	NOTE:	The employee continues to receive the continued rate of pay because it is still the highest rate of pay. Under OPM regulations, a continued rate in San Francisco, Los Angeles or New York is not terminated even though the IGA for those areas has been abolished.

If the employee is entitled to a within-grade increase (WGI) to GS-12, step 10, on the same day as the general pay adjustments take effect, the WGI would be processed after the general pay adjustments, and the employee's entitlements would be as follows:

1997 GS rate	\$55,760	(GS-12, step 10)
1997 nationwide special rate	\$57,190	
1997 IGA continued rate	\$59,864	(no change)
1997 locality rate	<b>\$60,862</b>	(\$55,760 x 1.0915)
	NOTE:	The IGA continued rate would be terminated, since it is now exceeded by the locality rate.

**8. Law enforcement officer (LEO)**

Grade/step: GS-7, step 1

Location: Boston, MA

1996 LEO special rate	\$26,786	
1996 LEO locality rate	\$28,843	(\$26,786 x 1.0768)
1996 LEO GEO adj. rate	<b>\$31,072</b>	(\$26,786 x 1.16)
1997 LEO special rate	\$27,402	(after 2.3% increase)
1997 LEO locality rate	\$29,586	(\$27,402 x 1.0797)
1997 LEO GEO adj. rate	<b>\$31,786</b>	(\$27,402 x 1.16)

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