

PAY ADMINISTRATION

- 1. REASON FOR ISSUE:** To revise Department of Veterans Affairs (VA) procedures on firefighter pay to reflect final Office of Personnel Management regulations.
- 2. SUMMARY OF CONTENTS/MAJOR CHANGES:** This handbook contains mandatory VA procedures on pay administration. The pages in this issuance replace part VIII, chapter 2 of VA Handbook 5007 in its entirety and deletes appendix A of part VIII. This change will be incorporated into the electronic version of VA Handbook 5007 that is maintained on the [Office of Human Resources Management Web site](#). Significant changes include:
 - a. Revises guaranteed pay provision for firefighters who attend training.
 - b. Revises procedures for substituting irregular hours worked for leave without pay.
 - c. Clarifies ineligibility for paid holiday time off.
- 3. RESPONSIBLE OFFICE:** The Compensation and Classification Service (055), Office of the Deputy Assistant Secretary for Human Resources Management and Labor Relations.
- 4. RELATED DIRECTIVES:** VA Directive 5007, "Pay Administration."
- 5. RESCISSIONS:** Appendix A of Part VIII.

CERTIFIED BY:

**BY DIRECTION OF THE SECRETARY
OF VETERANS AFFAIRS**

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CHAPTER 2. FIREFIGHTER PAY

1. GENERAL

a. The provisions on firefighter pay in this chapter apply to VHA organizational elements in the Department of Veterans Affairs (VA) and [were] effective October 11, 1998. (see subpart M of part 550, title 5 Code of Federal Regulations and section 628 of the Treasury and General Government Appropriations Act, 1999, incorporated in section 101(h) of Public Law 105-277.)

b. The key features of firefighter pay are as follows:

(1) Under the pay system covered by this chapter, covered firefighters, i.e., those with regular workweeks [averaging] 53 hours or more, [are not eligible to] receive standby duty pay or certain other forms of premium pay, including night, Sunday, holiday, and hazardous duty. Covered firefighters are eligible only for overtime premium pay; they will be paid on an hourly basis for all hours worked. The firefighter overtime standard is 53 hours per week. [A firefighter is not entitled to receive paid holiday time off when not working on a holiday, but may be allowed to use annual or sick leave, as appropriate, or may be granted excused absence.]

(2) Firefighters with normal 24-hour shifts will have their hourly rate calculated by taking the annual rate for the employee and dividing it by 2,756 (53 hours times 52 weeks). There are special computation procedures for covered firefighters whose regular workweek includes a basic 40-hour tour. [See paragraph 2a for the divisor for firefighters whose uncommon tours include a basic 40-hour workweek.]

(3) [F]irefighters who are non-exempt from the Fair Labor Standards Act (FLSA) will receive overtime pay at time-and-one-half. Exempt firefighters' overtime rate will be capped at the overtime rate of GS-10, step 1 (2,087 divisor), but in no case will it be lower than their regular hourly rate (2,756 divisor).

(4) Basic pay received for a covered firefighter's regular tour is creditable for retirement and certain other purposes. The straight-time portion of overtime pay [is] included in retirement coverage, resulting in higher annuities.

(5) Firefighters covered by this chapter must be converted to uncommon tours of duty for leave purposes.

(6) Firefighters with regular tours of duty averaging 60 hours or less per week (but at least 53 hours) [received] a special 2-step pay adjustment [upon conversion to this pay system] effective October 11, 1998. Refer to PAID Bulletin 98-17 for special WGI eligibility coding for firefighters in steps 8 and above prior to October 11, 1998.

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[c.] Covered firefighters who attend agency-sanctioned training at which attendance would otherwise reduce the hours worked will continue to receive basic and overtime pay for their regular tour of duty. This provision does not apply to individuals who voluntarily participate in training during non-duty hours, leave hours, or periods of excused absence. [It also does not apply if the firefighter is entitled to a greater amount of pay based on actual work hours during the week in which training occurs.]

[d.] All periods of paid absence will be counted as hours of work in determining whether the 53-hour overtime standard has been met.

2. TOURS INCLUDING BASIC 40-HOUR WORKWEEK

a. Firefighters whose regular tours of duty include a basic 40-hour workweek (as opposed to firefighters whose regular tours generally consist of 24-hour shifts) will have pay for their basic workweeks computed using the 2,087 divisor. All hours in excess of their basic 40-hour workweek will be computed using the 2,756 divisor. Firefighters who are working compressed work schedules for the basic 40-hour portion of their tours will have pay for their basic workweeks computed on a biweekly basis using the 2,087 divisor for all hours within their basic 80-hour workweek.

b. All hours worked outside their basic 80-hour workweek will be computed using the 2,756 divisor with overtime being determined on a weekly basis as follows:

(1) **Non-Overtime Hours.** Hours in excess of the basic 80-hour workweek, up to 53 hours in a week, will be paid at the straight-time rate using the 2,756 divisor.

(2) **Overtime Hours.** Hours in excess of 53 hours in a week will be paid at the applicable overtime rate using the 2,756 divisor. The applicable overtime rate will be determined in accordance with paragraph 3 below.

3. OVERTIME PREMIUM PAY

a. Firefighters covered by the terms of this chapter will receive overtime pay only after 53 hours of work in a week. All hours in a duty status will be considered as hours of work for purposes of computing overtime pay.

b. Firefighters whose hourly rate (using the 2,756 divisor) is less than the minimum hourly rate for [GS]-10 (using the 2,087 divisor) *and* all firefighters who are covered by (i.e., non-exempt from) the [FLSA], regardless of pay rate, will receive overtime pay at the rate of one-and-one-half their firefighter rate of basic pay (2,756 divisor). This pay will be considered to be appropriate compensation under section 7(k) of the FLSA.

c. FLSA-exempt firefighters whose hourly rate (using the 2,756 divisor) is greater than the minimum hourly rate for GS-10 (using the 2,087 divisor) will be paid for all overtime hours at a rate which is the greater of:

- (1) One-and-one-half times the minimum hourly rate of basic pay for GS-10 (using the 2,087 divisor); or
- (2) The applicable firefighter hourly rate of basic pay (using the 2,756 divisor).

4. LEAVE WITHOUT PAY (LWOP), LUMP SUM ANNUAL LEAVE PAYMENTS AND UNCOMMON TOURS OF DUTY

a. **Substitution of Irregular Hours.** Firefighters who take LWOP during an administrative workweek will have any irregular hours worked (i.e., hours outside the regular tour of duty for that workweek) substituted for those LWOP hours. Firefighters whose regular tour of duty includes a basic 40-hour workweek who take LWOP will have any irregular hours worked in the administrative workweek substituted first for the basic 40-hour workweek LWOP hours, [which are paid at an hourly rate based on the 2087 divisor. All other substituted hours are paid at an hourly rate based on the 2756 divisor, using the applicable overtime rate for overtime hours. The annual rate used to compute any such hourly rate is the annual rate in effect at the time the hour was actually worked.]

b. **Lump Sum Annual Leave Payments.** Firefighters who earn and use leave under uncommon tours of duty will receive regular overtime hours in lump sum annual leave payments. NOTE: *See part IV, chapter 3, paragraph 2d for additional guidance.*

c. **Uncommon Tours of Duty.** All VHA firefighters under the scope of this chapter shall be placed on uncommon tours of duty for purposes of leave accrual and usage. This will include all firefighters with regular tours of duty of at least 53 hours per week, such as 56-, 60-, and 72-hours. NOTE: *See VA Handbook 5011, Hours of Duty and Leave, for regulations on leave accrual and charges for absences.*

5. SCHEDULING

a. All fire chiefs will be placed on duty that include a basic 40-hour workweek. When desired, fire chiefs may work a 56-hour regular tour, providing that this schedule includes the basic 40-hour workweek.

b. Firefighters whose normal tours of duty are 56, 60 or 72 hours and generally consist of 24-hour shifts will continue to have a requirement for a minimum of 25 and a maximum of 39 hours of actual work each week

6. PAY ADMINISTRATION

a. **Effective Date.** The pay provisions contained in subpart M of part 550, 5 CFR, became effective in VA on October 11, 1998.

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b. **Cancellation of Standby Duty Premium Pay.** Effective October 11, 1998, firefighters covered by this handbook are no longer eligible for standby duty premium pay.

c. **Special Pay Adjustment of Two Steps.** Effective October 11, 1998, all firefighters with regular tours of duty averaging 60 hours or less per week (and that do not include a basic 40-hour workweek) received an increase in basic pay equal to two within-grade increases (WGIs) for the grade applicable to the firefighter. Such 2-step pay adjustments were not considered equivalent increases in pay for purposes of waiting periods for within-grade increases.

7. RESPONSIBILITIES

a. The Office of Human Resources Management is responsible for providing advice and guidance to management officials regarding pay matters contained in this chapter.

b. The Office of Financial Management is responsible for providing technical advice and guidance to management officials regarding the procedures for implementing and paying firefighters under the terms of this chapter.

c. VHA management officials at VHA facilities employing firefighters with regular weekly tours of duty of at least 53 hours are responsible for ensuring that fire personnel are scheduled and paid in accordance with the provisions of this chapter.

8. [PROTECTED RATES. Effective October 11, 1998, a protected annual rate of basic pay was established for 24-hour shift firefighters that would have otherwise experienced a pay reduction. Entitlement to a protected rate terminated when the employee's actual rate of basic pay equaled or exceeded the protected rate, or when the individual moved to a position not covered by this chapter.]

9. PAY COMPUTATION. Refer to appendix VIII-B for guidance on computing pay [].

10. REFERENCES

a. Section 628 of the Treasury and General Government Appropriations Act, 1999, incorporated in section 101(h) of Public Law 105-277, the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, October 21, 1998.

b. Subpart M of part 550, 5 CFR.

- c. PAID Bulletin 98-17, October 22, 1998.

11. DEFINITIONS

- a. [**Annualized Regular Rate of Pay.** The gross salary a firefighter would earn over a 52-week period for working the regular tour of duty].
- b. [**Basic 40-Hour Workweek.** A block of time in a firefighter's regular tour of duty that consists of 40 hours of actual work during an administrative workweek (or 80 hours of actual work over a biweekly pay period for individual on compressed work schedules), excluding sleep and eating time, provided the tour does not consist primarily of 24-hour shifts].
- c. [**Firefighter.** For purposes of this chapter, firefighter refers to individuals in positions classified in the GS-081 series (Fire Protection and Prevention) and who have regular tours of duty averaging at least 53 hours per week].
- d. [**Overtime Hours.** Hours of work in excess of 53 hours in a week.
- e. [**Regular Tour of Duty.** A firefighter's official work schedule established by management on a regular and recurring basis as in effect throughout the year (or on a temporary basis in cases where a temporary change in schedules results in a reduction in regular work hours or a change in the pay computations under paragraph 1), provided that the individual works at least 53 hours per week, on average. It includes only those overtime hours that are deemed to be part of the firefighter's fixed recurring work schedule. Firefighters whose regular tour of duty consists of a 56-, 60- or 72-hour average week will be placed on Uncommon Tours of Duty].

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APPENDIX B. SAMPLE PAY COMPUTATIONS FOR FIREFIGHTERS

NOTE: *Round to 2 decimal places at each step of the computations.*

1. Fair Labor Standards Act (FLSA)-covered firefighter working a 48-64-56 rotation, for an average 56-hour tour of duty.

Current Rate: [\$33,731], GS-6/5, with [10.90%] locality comparability payment [(LCP)]

Employee receives [] pay as shown:

$[\$33,731 \div 2,756 = \$12.239]$, rounded to $[\$12.24]$ hourly rate. Overtime rate = $[\$18.36 (12.24 \times 1.5)]$

Week 1 – 48 hours: Receives 48 hours of straight-time pay. $[\$12.24 \times 48 = \$587.52]$. Additional hours paid at straight-time, until overtime standard of 53 met; hours over 53 in week paid at overtime rate.

Week 2 – 64 hours: Receives 53 hours of straight-time and 11 hours of overtime pay. $[(\$12.24 \times 53) + (\$18.36 \times 11) = \$850.68]$. Additional hours paid at overtime rate.

Week 3 – 56 hours: Receives 53 hours of straight-time and 3 hours of overtime pay. $[\$12.24 \times 53) + (\$18.36 \times 3) = \$703.80]$. Additional hours paid at overtime rate.

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2. FLSA-covered firefighter working a 78-32-82-48 rotation, for an average 60-hour tour of duty.

Current Rate: [\$34,714, GS-5/10, with 10.90%] LCP

Employee receives [] pay as shown:

$[\$34,714 \div 2,756 = \$12.595]$, rounded to $[12.60]$ hourly rate. Overtime rate = $[\$18.90 (\$12.60 \times 1.5)]$

Week 1 – 78 hours: Receives 53 hours of straight-time and 25 hours of overtime. $[(\$12.60 \times 53) + (\$18.90 \times 25) = \$1,140.30]$. Additional hours paid at overtime rate.

Week 2 – 32 hours: Receives 32 hours of straight-time pay. $[\$12.60 \times 32 = \$403.20]$. Additional hours paid at straight-time rate, until overtime standard of 53 is met; hours over 53 in week paid at overtime rate.

Week 3 – 82 hours: Receives 53 hours of straight-time and 29 hours of overtime. $[(\$12.60 \times 53) + (\$18.90 \times 29) = \$1,215.90]$. Additional hours paid at overtime rate.

Week 4 – 48 hours: Receives 48 hours of straight-time pay. $[\$12.60 \times 48 = \$604.80]$. Additional hours paid at straight-time rate, until overtime standard of 53 is met; hours over 53 in week paid at overtime rate.

3. FLSA-exempt firefighter working a straight 56-hour tour of duty that includes a 40-hour basic workweek.

Current Rate: [\$47,520], GS-10/3, with [10.90%] LCP

$[\$47,520 \div 2,087 = \$22.769]$, rounded to $[\$22.77]$ (first-40-hour hourly rate)

$[\$47,520 \div 2,756 = \$17.242]$, rounded to $[\$17.24]$ (41-to-53-hour rate)

$[\$17.24 \times 1.5 = \$25.86]$ overtime rate for hours over 53 []

Each Week: 40 hours of straight-time at 2,087 divisor; 13 hours of straight-time at 2,756 divisor; and 3 hours of overtime at 2,756 divisor. $[(\$22.77 \times 40) + (\$17.24 \times 13) + (\$25.86 \times 3) = \$1212.50]$.

Additional hours paid at overtime rate.

4. FLSA-covered firefighter working a straight 72-hour tour of duty.

Current Rate: [\$41,890], GS-7/9, with [10.90%] LCP

$[\$41,890 \div 2,756 = \$15.199]$, rounded to $[\$15.20]$ hourly rate. Overtime rate = $[22.80 (\$15.20 \times 1.5)]$

Each Week: Receives 53 hours of straight-time and 19 hours of overtime. $[(\$15.20 \times 53) + (\$22.80 \times 19) = \$1238.80]$. Additional hours paid at overtime rate.

5. FLSA-covered firefighters working a 55-48-65-48-65-55 rotation, for an average 60-hour tour of duty.

Current Rate: [\$38,694], GS-6/10, with [10.90%] LCP

Employee [] receives pay as shown:

$[\$38,694 \div 2,756 = \$14.039]$, rounded to $[\$14.04]$ hourly rate. Overtime rate = $[21.06 (\$14.04 \times 1.5)]$

Week 1 – 55 hours: Receives 53 hours of straight-time and 2 hours of overtime. $[(\$14.04 \times 53) + (\$21.06 \times 2) = \$786.24]$. Additional hours paid at overtime rate.

Week 2 – 48 hours: Receives 48 hours of straight-time pay. $[\$14.04 \times 48 = \$673.92]$. Additional hours paid at straight-time rate, until overtime standard of 53 is met; hours over 53 in week paid at overtime rate.

Week 3 – 65 hours: Receives 53 hours of straight-time and 12 hours of overtime. $[(\$14.04 \times 53) + (\$21.06 \times 12) = \$996.84]$. Additional hours paid at overtime rate.

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Week 4 – 48 hours: Receives 48 hours of straight-time pay. [$\$14.04 \times 48 = \673.92]. Additional hours paid at straight time rate, until overtime standard of 53 is met; hours over 53 in week paid at overtime rate.

Week 5 – 65 hours: Receives 53 hours of straight-time and 12 hours of overtime. [$(\$14.04 \times 53) + (\$21.06 \times 12) = \$996.84$]. Additional hours paid at overtime rate.

Week 6 – 55 hours: Receives 53 hours of straight-time and 2 hours of overtime. [$(\$14.04 \times 53) + (\$21.06 \times 2) = \$786.24$]. Additional hours paid at overtime rate.