

PT-812

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### Night Pay Differential vs Night Shift Differential

This reference guide provides basic information about the administration of night pay differential and night shift differential.

Rule	Title 5 (Regulated under 5 CFR 550.121 and 550.122)	Title 5 (Regulated under 5 CFR 532.505)
Coverage	All General Schedule (GS) employees except those specifically excluded. (5 U.S.C. 5541)	All Federal Wage System (FWS) employees. (5 U. S. C. 5342)
1 Definition	Regularly scheduled work performed by an employee between the hours of 6 p.m. and 6 a.m. (5 CFR 550.121(a))	Differential paid to a FWS employee when the majority of regularly scheduled nonovertime hours fall between 3 p.m. and 8 a.m. (5 CFR 532.501)
2 Rates of differential	An employee who performs nightwork is entitled to pay for that work at his or her rate of basic pay plus 10 percent of his or her rate of basic pay. (5 CFR 550.121(a))	An FWS employee is entitled to his or her scheduled rate plus: (1) 7 ½ percent of that rate for regularly scheduled nonovertime work when a majority of the hours occur between 3 p.m. and midnight; or (2) 10 percent of that rate for regularly scheduled nonovertime work when a majority of the hours occur between 11 p.m. and 8 a.m. (5 U.S.C. 5343(f))
3 Determining hours	GS employees receive night pay differential only for regularly scheduled hours actually worked at night between 6:00 p.m. and 6:00 a.m. (5 CFR 550.121(a))	FWS employees receive night shift differential for the <u>entire</u> shift when the majority of hours fall within the specified periods. (OPM Operating Manual for FWS Employees, 532-1, S8-4)
4 Flexibilities in determining hours	The head of a department may designate another time, between 6 p.m. and 6 a.m., as the beginning and end of nightwork at a post outside the United States where the customary hours of business in the locality extend into the hours of nightwork. (5 CFR 550.121(b))	(No comparable provision)
5 Treatment of holiday	An employee is entitled to night pay differential when excused from nightwork on a holiday or other nonworkday. (5 CFR 550.122(a))	Same application. (5 CFR 532.505 (b))
6 While in travel status	An employee is entitled to a night pay differential for night hours of his tour of duty while in an official travel status, whether performing actual duty or not. (5 CFR 550.122(a))	Same application. (5 CFR 532.505(c))

<p>7 While temporarily assigned</p>	<p>An employee is entitled to a night pay differential when he or she is temporarily assigned during the administrative workweek to a daily tour of duty that includes nightwork. (5 CFR 550.122(d))</p>	<p>An employee regularly assigned to a night shift who is temporarily assigned to a day shift or to a night shift with a lower night shift differential continues to receive the regular night shift differential. A temporary detail for training purposes is included for this purpose. (5 CFR 532.505(d)(1))</p> <p>An employee regularly assigned to a night shift who is temporarily assigned to another night shift with a higher differential is paid the higher differential if a majority of the employee's regularly scheduled nonovertime work fall within hours having the higher differential. (5 CFR 532.505(d)(2))</p> <p>An employee regularly assigned to a day shift who is temporarily assigned to a night shift is paid night shift differential. (5 CFR 532.505(d)(3))</p>
<p>8 While on leave</p>	<p>An employee is entitled to a night pay differential for a period of paid leave only when the total amount of that leave in a pay period, including both night and day hours, is less than 8 hours. (5 CFR 550.122(b))</p>	<p>An employee regularly assigned to a night shift is paid a night shift differential during periods of paid leave. (5 CFR 532.505 (e)(1))</p> <p>An employee regularly assigned to a day shift who is temporarily assigned to a night shift receives a night shift differential for any paid leave taken when scheduled to work night shifts. (5 CFR 532.505(e)(2))</p> <p>An employee assigned to a regularly rotating schedule involving work on both day and night shifts is paid a night shift differential for any paid leave taken when scheduled to work night shifts. (5 CFR 532.505(e)(3))</p> <p>An employee not regularly assigned to a day shift or a night shift but whose shift is changed at irregular intervals is paid a night shift differential during leave with pay if the employee received a night shift differential for the last shift worked before leave began. (5 CFR 532.505 (e)(4))</p>
<p>9 Basic Pay</p>	<p>Night pay differential is not included in the rate of basic pay used to calculate overtime, Sunday, or holiday pay. (5 CFR 550.122 (c))</p>	<p>Night differential is a part of basic pay which is used to calculate overtime pay, Sunday pay, holiday pay, and amounts of deductions for retirement and group life insurance. (5 CFR 532.401)</p>

## Questions and Answers

### **1. Do intermittent employees receive a night pay or night shift differential?**

GS employees only receive night pay for work regularly scheduled at night. Intermittent work is not regularly scheduled work. Therefore, intermittent GS employees may not receive a night pay differential for work performed at night. (Rule 3 and Comptroller General decision B-250724). A part time or intermittent FWS employee who works on a regularly scheduled shift of less than eight hours duration **is** entitled to night shift differential pay if a majority of his or her hours are worked during a period in which a night shift differential is payable (OPM Operating Manual for FWS Employees, S8-4).

### **2. A GS employee whose normal tour of duty is Tuesday - Friday 6:00 p.m. to 4:00 a.m., has been detailed to work Monday - Friday, 7:30 a.m. to 4:00 p.m. for two weeks. Does the employee continue to receive a night pay differential during his or her detail?**

No, GS employees receive the differential only when regularly scheduled work between the hours of 6:00 p.m. and 6:00 a.m. is actually performed (Rule 7).

### **3. Does an employee who is receiving a night pay or night shift differential continue to receive the differential while on extended periods of paid leave?**

A GS employee receives night pay for a period of leave only when the leave totals less than 8 hours in a pay period. Therefore, if a GS employee takes 8 hours or more in a bi-weekly pay period, he or she does not receive a night pay differential for those hours of paid leave (Rule 8). However, a wage grade employee continues to receive night pay differential for periods of extended leave with pay (Rule 8).

### **4. Is a GS employee entitled to night pay differential for performing irregular, unscheduled overtime work after 6:00 p.m.?**

No, nightwork is regularly scheduled work performed by an employee between the hours of 6:00 p.m. and 6:00 a.m. Unscheduled overtime or overtime not approved in advance of the administrative workweek is not considered part of the regularly scheduled administrative workweek. Therefore, the employee is not entitled to the night pay differential (Rule 1).

### **5. Is an employee entitled to night pay or night shift differential when the employee is granted compensatory time off?**

GS and FWS employees are entitled to night pay differential when excused from night work on a holiday or other non-workday, including days when compensatory time off in lieu of overtime pay is granted (Rule 5).

**6. How do you compensate an FWS employee who works a split shift?**

An employee either will receive a 7.5% differential for an entire shift or a 10% differential for an entire shift depending on whether the majority of work hours occur during the hours authorized for a night shift differential either between 1500 and 2400, or between 2300 and 0800, respectively (OPM Operating Manual for FWS Employees, S8-4).

**Computation of Night Shift Differential**

**A wage grade employee’s regular tour of duty is Monday - Friday from 3:00 p.m. to 11:30 p.m. The WG 5 step 3 employee’s scheduled rate of pay is \$10.58 per hour.**

**1. The employee was required to work 3 hours of overtime from 11:30 p.m. to 2:30 a.m. How do you calculate the employee’s pay?**

The employee’s tour of duty falls between the hours of 3:00 p.m. and midnight. Therefore he or she is entitled to a night shift differential of 7.5%, and the employee’s pay is calculated as follows:

<i>Scheduled rate of pay for WG-5 step 3</i>	<i>\$10.58</i>
<i>Night Shift Differential (7.5%)</i>	<i><math>\\$10.58 \times 7.5\% = \\$0.79</math></i>
<i>Rate of Basic Pay (incl 7.5% diff)</i>	<i><math>\\$10.58 + \\$0.79 = \\$11.37</math></i>
<i>Overtime Rate</i>	<i><math>\\$11.37 \times 1.5 = \\$17.06</math></i>
<b><i>Pay Entitlement</i></b>	<b><i><math>(\\$11.37 \times 8\text{hrs}) + (\\$17.06 \times 3\text{hrs}) = \\$142.14</math></i></b>

**2. The same employee is temporarily assigned to work from 11:30 p.m. to 8:00 a.m. for one week. One day that week the employee works 8 hours of overtime after his temporary shift. How do you calculate the employee’s pay for the bi-weekly pay period?**

<i>Rate of Pay for WG-5 step 3</i>	<i>\$10.58</i>
<i>Night Shift Differential (10%)</i>	<i><math>\\$10.58 \times 10\% = \\$1.06</math></i>
<i>Rate of Basic Pay (incl 10% diff)</i>	<i><math>\\$10.58 + \\$1.06 = 11.64</math></i>
<i>Overtime Rate</i>	<i><math>\\$11.64 \times 1.5 = \\$17.46</math></i>
<i>Night Shift Differential (7.5%)</i>	<i><math>\\$10.58 \times 7.5\% = \\$0.79</math></i>
<i>Rate of Basic Pay (incl 7.5% diff)</i>	<i><math>\\$10.58 + \\$0.79 = \\$11.37</math></i>
<b><i>Pay Entitlement</i></b>	<b><i><math>(\\$11.64 \times 40\text{hrs}) + (\\$11.37 \times 40\text{hrs}) + (\\$17.46 \times 8\text{hrs}) = \\$1060.08</math></i></b>

3. The same employee is returned to his or her normal schedule and is scheduled to go TDY for 4 days. How will his or her pay be calculated over a bi-weekly pay period?

<i>Pay Entitlement</i>	$\$11.37 \times 80\text{hrs} = \$909.60$
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4. The same employee was scheduled to work 12 hours on a holiday. How is the employee's total pay calculated for working on the holiday?

<i>Rate of Basic Pay (incl 7.5% diff)</i>	$\$11.37$
<i>Holiday Pay</i>	$\$11.37 \times 8 \times 2 = \$181.92$
<i>Overtime Pay</i>	$\$11.37 \times 1.5 = \$17.06 \times 4\text{hrs} = \$68.24$
<i>Pay Entitlement</i>	$\$250.16$

5. The employee's work schedule was changed to Sunday - Thursday from 3:00 p.m. to 11:30 p.m. The employee worked 4 hours overtime on Sunday. What is the employee's pay entitlement for Sunday?

<i>Rate of Basic Pay (incl 7.5% diff)</i>	$\$11.37$
<i>Sunday Premium Pay (25%)</i>	$\$11.37 \times 1.25 = \$14.21$
<i>Overtime Pay</i>	$\$11.37 \times 1.5 = \$17.06$
<i>Pay Entitlement</i>	$(\$14.21 \times 8\text{hrs}) + (\$17.06 \times 4\text{hrs}) = \$181.92$

### Computation of Night Pay Differential

A GS employee's, normal tour of duty is Monday - Friday from 3:00 p.m. to 11:30 p.m. The GS-7 step 5 employee's basic rate of pay is \$41,729 per annum; the hourly rate is (\$41,729 divided by 2087) \$19.99.

**1. How is the employee's pay calculated for a biweekly pay period?**

<i>Night Pay Differential (10%)</i>	$\$19.99 \times 10\% = \$1.99$
<i>Hrs Worked from 6am to 6pm</i>	30
<i>Hrs Worked from 6pm to 6am</i>	50
<b><i>Biweekly Pay Entitlement</i></b>	<b><math>(\\$19.99 \times 80\text{hrs}) + (\\$1.99 \times 50\text{hrs}) =</math></b> <b><math>\\$1,698.70</math></b>

**2. The first week of a biweekly pay period, the same employee is temporarily assigned to work from 7:30 a.m. to 4:00 p.m. One day during that week the employee worked 4 hours of scheduled overtime from 4:00 p.m. to 8:00 p.m. How do you calculate the employee's pay for that week?**

<i>Night Pay Differential (10%)</i>	\$1.99
<i>Non-overtime Hrs Worked from 6am to 6pm</i>	40
<i>Overtime Hrs Worked from 6am to 6pm</i>	2
<i>Overtime Hrs Worked from 6pm to 6am</i>	2
<i>Overtime Rate (1.5 x hourly rate)</i>	$\$19.99 \times .015 = \$29.99$
<b><i>Pay Entitlement for the Week</i></b>	<b><math>(\\$19.99 \times 40\text{hrs}) + (\\$29.99 \times 4\text{hrs}) + (\\$1.99 \times 2\text{hrs}) = \\$923.54</math></b>

**3. The second week of the biweekly pay period the same employee is scheduled to work 8 hours on a holiday, from 11:00 a.m. to 7:30 p.m. How do you calculate the employee's pay for this week?**

<i>Night Pay Differential (10%)</i>	\$1.99
<i>Regularly Scheduled Hrs Worked from 6am to 6pm</i>	19
<i>Regularly Scheduled Hrs Worked from 6pm to 6am</i>	21
<i>Total Hrs Worked on Holiday</i>	8
<i>Holiday Rate of Pay</i>	$\$19.99 \times 2 = \$39.98$
<b><i>Pay Entitlement for the Week</i></b>	<b><math>(\\$19.99 \times 32\text{hrs}) + (\\$1.99 \times 21\text{hrs}) + (\\$39.98 \times 8\text{hrs}) = \\$1,161.23</math></b>

**4. What is the employee's biweekly pay entitlement for the two weeks described above?**

<i>Biweekly Pay for First Week</i>	<i>\$923.54</i>
<i>Biweekly Pay for Second Week</i>	<i>\$1,161.23</i>
<i><b>Total Biweekly Pay Entitlement</b></i>	<i><b>\$2,084.77</b></i>