



# Mid-year Contracts using New Contract

Revised 9/2017

The NEWCNT program is designed to calculate and update new contract information for employees. Information entered in NEWCNT is stored separately from the regular payroll files. The data in JOBSCN will remain the same until the purge option is selected. The new contract data will then be placed on JOBSCN while the old contract data will be moved to a history file. There are features to purge contract information by individual job records or in groups. The NEWCNT program should be used when a mid-year contract change is needed.

Before doing a mid-year contract change, you need to verify the information on the JOBSCN.

- Analyze effective date of change
  1. There must be retro days or the change must begin on period beginning date of the current payroll
  2. CANNOT be mid-year/mid-pay period contract change
    - Cannot have days in this pay period under old and new rates
- Verify information on JOBSCN
  1. Days worked must equal the work days on the calendar
  2. Amount paid must be correct (pay per period x pays paid)
  3. Amount earned must be correct (daily rate x days worked)
- Decide on type of mid-year change
  1. Mid-contract with no retro
  2. Mid-contract with retro spread over remaining pays
  3. Mid-contract with lump sum retro

## Calculations

### *Mid-year change with no retro*

- Stretch pay job
  1. If job is daily, the new daily rate =  $\text{New contract amount} / \text{Total number of days in the contract}$   
If job is hourly, the new hourly rate =  $(\text{New contract amount} / \text{Total number of days in the contract}) / \text{Hours in day}$
  2. Work days remaining =  $\text{Days in contract} - \text{days worked in contract}$



3. If job is daily, the contract amount to be earned = New daily rate X work days remaining  
If job is hourly, the contract amount to be earned = (New hourly rate X hours in day) X days remaining
  4. New Obligation = contract amount earned + contract amount to be earned
  5. New accrued = Old accrued
  6. Pays remaining = Total number of pays - pays paid
  7. New pay per period = (New obligation - amount paid - amount docked - dock next pay) / pays remaining
- Non-stretch pay job
    1. New daily rate = New contract amount / Total number of days in the contract
    2. Work days remaining = Days in contract - days worked in contract
    3. Contract amount to be earned = New daily rate X work days remaining
    4. New Obligation = contract amount earned + contract amount to be earned

#### ***Mid-year change with retro spread over remaining pays***

- Stretch pay job
  1. If job is daily, the new daily rate = New contract amount / Total number of days in the contract  
If job is hourly, the new hourly rate = (New contract amount / Total number of days in the contract) / Hours in day
  2. Work days remaining = Days in contract - days worked in contract
  3. If job is daily, the contract amount to be earned = New daily rate X work days remaining  
If job is hourly, the contract amount to be earned = (New hourly rate X hours in day) X days remaining
  4. Retro amount = (new daily rate - old daily rate) X days since raise  
For hourly jobs:  
If the new unit amount = old unit amount, the retro amount = ((new unit amount X new hours in a day) - (old unit amount X old hours in a day)) X days since raise  
If the new unit amount does not equal the old unit amount, the retro amount = ((new unit amount - old unit amount) X (new hours in a day)) X days since raise
  5. New Obligation = contract amount earned + contract amount to be earned



- + retro
  - 6.  $\text{New accrued} = (\text{Old accrued} + \text{retro})$   
 $\text{New earned} = (\text{Old earned} + \text{retro})$
  - 7.  $\text{Pays remaining} = \text{Total number of pays} - \text{pays paid}$
  - 8.  $\text{New pay per period} = (\text{New obligation} - \text{amount paid} - \text{amount docketed}) / \text{pays remaining}$
- Non-stretch pay job
    1.  $\text{New daily rate} = \text{New contract amount} / \text{Total number of days in the contract}$
    2.  $\text{Work days remaining} = \text{Days in contract} - \text{days worked in contract}$
    3.  $\text{Contract amount to be earned} = \text{New daily rate} \times \text{work days remaining}$
    4.  $\text{Retro amount} = (\text{new daily rate} - \text{old daily rate}) \times \text{days since raise}$
    5.  $\text{New Obligation} = \text{contract amount earned} + \text{contract amount to be earned} + \text{retro}$
    6. If job is set to stretch pay:  
 $\text{New pay per period} = (\text{New obligation} - \text{amount paid} - \text{amount docketed}) / \text{pays remaining}$

#### ***Mid-year change with lump sum retro***

- Stretch pay job
  1.  $\text{New daily rate} = \text{New contract amount} / \text{Total number of days in the contract}$
  2.  $\text{Work days remaining} = \text{Days in contract} - \text{days worked in contract}$
  3.  $\text{Contract amount to be earned} = \text{New daily rate} \times \text{work days remaining}$
  4.  $\text{Full retro amount} = (\text{new daily rate} - \text{old daily rate}) \times \text{days since raise}$   
For hourly jobs:  
If the new unit amount = old unit amount, the full retro amount =  $((\text{new unit amount} \times \text{new hours in a day}) - (\text{old unit amount} \times \text{old hours in a day})) \times \text{days since raise}$   
If the new unit amount does not equal the old unit amount, the full retro amount =  $((\text{new unit amount} - \text{old unit amount}) \times (\text{new hours in a day})) \times \text{days since raise}$
  5.  $\text{Full pay per period} = \text{New contract amount} / \text{total number of pays}$
  6. Lump sum retro:  
If the Days Since Raise = Days Worked, then the Lump sum retro =  $(\text{Full pay per period} - \text{old pay per period}) \times \text{pays paid}$   
Otherwise, the calculations are based on frequency of pay as follows:



When pay is biweekly, the Lump sum retro = (Full pay per period - old pay per period) X (Days since raise/10)

When pay is semi monthly, the Lump sum retro = (Full pay per period - old pay per period) X (Days since raise/11)

When pay is monthly, the Lump sum retro = (Full pay per period - old pay per period) X (Days since raise/21)

7. Retro spread over remaining pays = full retro - lump sum retro unless:
  - the lump sum retro is less than zero and the full retro amount is greater than zero, then the retro spread will be the full retro amount plus the lump sum retro

If the lump sum retro is less than zero, the software multiplies the lump sum retro by negative one to get the dock next pay amount

8. New Obligation = (contract amount earned + contract amount to be earned + full retro amount) unless:
  - the retro spread and retro next pay are less than zero, then the new obligation = amount earned + contract amount to be earned + retro spread
9. New accrued = (Old accrued + retro spread)  
New earned = (Old amount earned + retro spread)
10. Pays remaining = Total number of pays - pays paid
11. New pay per period = (New obligation - amount paid - amount docked - lump sum retro) / pays remaining

- Non-stretch pay job

1. New daily rate = New contract amount / Total number of days in the contract
2. Work days remaining = Days in contract - days worked in contract
3. Contract amount to be earned = New daily rate X work days remaining
4. Retro amount = (new daily rate - old daily rate) X days since raise
5. New Obligation = contract amount earned + contract amount to be earned + full retro amount



### ***Mid-year Mid-Pay Period Contract Change***

The ideal situation for a mid-year contract change is to make the effective date the period beginning date of a payroll.

Mid-pay period mid-year contract changes cannot be done through NEWCNT because the program does not have the correct number of days at the old rate. It uses what is in JOBSCN and that count does not yet include the additional days being paid at the old rate from the next payroll.

If a district must process a mid-pay period mid-year contract change, if possible, the district should pay one pay beyond the effective date and then retro pay the days. For example:

New rate effective 10/2/2017

Payroll dates = 9/23 – 10/6 with a 10/6 pay date

Complete the 10/6 payroll.

Prior to the 10/20 payroll:

In NEWCNT process the contract change with retro pay, including the additional work days from 10/2 – 10/6 as 5 retro days since raise.

If the district cannot delay the effective rate the additional payroll, they will have to manually enter the mid-year contract change directly in JOBSCN or manually adjust the NEWCNT calculations.

### ***JOBHIS - Job History Listing***

The JOBHIS report includes information that is stored after using the purge option of NEWCNT including all contract information from previous years. The report can be sorted by Employee ID, name, or pay group. Selection options include pay unit, appointment type, contract start date, and calendar types.